

Registration number: 02426982

# T.S.S. (Total Security Services) Limited

Annual Report and Financial Statements

for the Period from 1 November 2021 to 31 December 2022

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## **T.S.S. (Total Security Services) Limited**

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**T.S.S. (Total Security Services) Limited**

**Company Information**

<b>Directors</b>	H Graham T Kendall
<b>Company secretary</b>	R Y Bartlett
<b>Registered office</b>	The Curve, 18 Hickman Avenue Highams Park London E4 9JG
<b>Independent auditor</b>	Deloitte LLP 2 New Street Square London EC4A 3BZ

## **T.S.S. (Total Security Services) Limited**

### **Strategic Report for the Period from 1 November 2021 to 31 December 2022**

The directors present their report for the period from 1 November 2021 to 31 December 2022.

#### **Fair review of the business**

##### *Principal activities*

The principal activity of T.S.S. (Total Security Services) Limited ("the Company") is the provision of a range of security, manpower and associated support services.

##### *Financial performance*

The Company has net assets of £14,526,000 (2021: £11,649,000). This represents an increase of £2,877,000 (24.7%) versus the prior period. The increase is due to the profit generated in the period.

The Company recorded sales of £174,699,000 (year ended 31 October 2021: £132,667,000). This represents an increase of £42,032,000 (31.7%) versus the prior period. The increase is predominantly as a result of a longer accounting period than the comparative period as well as one off sales in relation to the Commonwealth games. In comparison, the Company recorded cost of sales of £155,209,000 (year ended 31 October 2021: £113,855,000). This represents an increase of £41,354,000 (36.3%) versus the prior period driven by the increased sales. Overall, the Company recorded gross profit of £19,490,000 (year ended 31 October 2021: £18,812,000). This represents an increase of £678,000 (3.6%).

The Company made a profit for the financial period of £2,877,000 (year ended 31 October 2021: £2,944,000). This represents a decrease of £67,000 (2.3%) driven by the gross profit increase. The Company recorded gross profit margin of 11.2% (year ended 31 October 2021: 14.2%). This represents a decrease of 3% versus the prior period driven by increased staff costs in excess of the increased sales.

During March 2022, the Company was acquired by G4S Secure Solutions (UK) Limited. As a result of the acquisition, the Company is now an indirectly held subsidiary of Atlas Ontario LP, the ultimate parent of the Atlas Ontario LP Group ("the Enlarged Group"). Atlas Ontario LP is a limited partnership, formed on 24 November 2020 under the laws of the province of Ontario, Canada.

##### *Future developments*

The directors expect the general level of activity of the Company to remain consistent with the current year, with the exception of one off sales in relation to the Commonwealth games as mentioned above not repeating going forwards, and the Company's principal activity is not expected to change substantially.

#### **Key performance indicators**

The directors utilise a wide range of operational performance measures to monitor the Company's business activities. However, the operational performance measures are all specific to a particular activity or contract. The Company's directors do not believe that using further key performance indicators would be necessary or appropriate for an understanding of the development, performance or position of the business as a whole.

## T.S.S. (Total Security Services) Limited

### Strategic Report for the Period from 1 November 2021 to 31 December 2022 (continued)

#### Principal risks and uncertainties

All businesses are subject to risk. Many individual risks are macro-economic or social in nature and thus they are common to many businesses. Below, the risks considered key to the Company have been listed. The key risks are those which would materially damage the Company's strategy, reputation, business, profitability or assets. This list is in no particular order and it is not an exhaustive list of all potential risks. Some risks may be unknown at present and it may transpire that risks currently considered immaterial become material in the future.

(1) *Labour availability and wage inflation*

The UK (and many other global economies) are experiencing labour supply shortages. The availability of suitably skilled workers combined with upward pressure on wages is placing challenges on most UK service businesses.

*Risk mitigation approach*

The Company will continue to take steps to remain competitive in the labour market and to be an employer of choice by offering competitive pay, terms and conditions. The Company will also work with customers to ensure that the cost of wage increases can be recovered where possible, whilst remaining competitive in the market.

(2) *Major changes in market dynamics*

Major changes in market dynamics might include the entry of new competitors to the market place, price competition by existing competitors, development of new technologies or passing of new government legislation. These events could have a negative impact the Company's revenues and profitability.

*Risk mitigation approach*

The Company, in line with the policy of the G4S Limited group, is committed to engage proactively with its customers, suppliers, industry associations, government regulators and employee representatives. These actions aim to foster a dialogue with the stakeholders and enable the Company to respond to any changes in a timely manner. The Company also performs customer satisfaction surveys to drive further strong business relationships. Additionally, the Company continues to invest in the development of its systems in order to respond to any changes in technology.

## T.S.S. (Total Security Services) Limited

### Strategic Report for the Period from 1 November 2021 to 31 December 2022 (continued)

#### Principal risks and uncertainties (continued)

(3) *Service industry in-sourcing*

The Company provides a range of security services to customers in diverse sectors, such as property management and special events. In these sectors the current trend is for the customers to out-source their security services. Should this trend reverse, or should consolidation of the Company's customers occur, the demand for Company's services may be altered and this may result in adverse effects on the Company's revenue and profitability.

*Risk mitigation approach*

The Company actively engages with its customers, seeking to build strong business relationships. The Company also seeks customers' feedback on the services provided, ensuring that the Company is able to respond to any comments in a timely manner.

(4) *Failure of the Company's IT systems*

The Company makes widespread use of information technology systems both in its day-to-day operations and for the purposes of financial management. Failure in these systems, for example physical damage or inaccessibility, could result in reputational damage, payments of compensation to the stakeholders and consequently, the loss of Company's revenue and profitability.

*Risk mitigation approach*

The Company has developed business continuity procedures, in line with the policies of G4S Limited group. Should failure in information technology systems occur, these procedures would be triggered, minimising adverse impact on the Company and its stakeholders.

(5) *Deterioration in labour relations*

The Company has a good relationship with its committed work force. However, if this relationship were to deteriorate, for example as a result of industrial action, this may result in adverse effects on the Company's operations.

*Risk mitigation approach*

The Company is committed to engage proactively with its work force and employee representatives. These actions aim to foster a dialogue and enable the Company to resolve any disputes in a timely manner and thus minimise any adverse effects on the Company's operations.

## **T.S.S. (Total Security Services) Limited**

### **Strategic Report for the Period from 1 November 2021 to 31 December 2022 (continued)**

#### **Statement by the directors in performance of their statutory duties in accordance with Section 172(1) Companies Act 2006**

The Board's engagement with the Company's stakeholders helps frame the Company's strategic direction, informs the Board's decision making process and overall supports the Board's duty to promote the success of the Company as set out in Section 172 of the Companies Act 2006. The directors of the Company consider that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole.

The following paragraphs summarise how directors fulfil their duties:

#### *Long-term view*

Assessment of long-term consequences of our decisions is at the heart of our risk-management strategy. On an annual basis the Board of directors assesses the major risks affecting the Company and develops mitigating strategies to reduce the likelihood of those risks crystallising. In turn, these strategies form the basis for the Company's financial budgets, resource planning and capital spend, setting the general direction for the Company. The financial budgets and other plans undertake scrutiny both from the managers directly involved in each functional area, as well as the G4S Limited group ("the Group"). This approach ensures that the Company's strategy is able to address the ever-changing risk landscape, maintains the long-term focus and is aligned with the core values of the Group.

For more details on the principal risks and uncertainties affecting the Company, refer to the description of "Principal risks and uncertainties" above.

#### *Our employees*

Our employees are our most important asset and our success is underpinned by the way we lead and engage with our people. Attraction, retention and development of talent form the cornerstone of the Company's success. The directors strive to create a culture of engagement and inclusion, where every employee's contribution is valued and diversity of the team is celebrated. In particular, the directors have taken steps to develop, promote the Learning and Development materials for new and existing employees, strengthening the processes of onboarding as well as continuous education and development. Furthermore, the directors maintain an active and open dialogue with the employees and employee representatives, fostering open communication channels and enabling exchange of ideas and expectations.

#### *Business relationships*

We view our customers and suppliers not merely as business parties, but as partners in delivering value and innovation. Our long-term customer relationships are based upon trust and understanding of our customers' business needs and objectives. Through those customer relationships and connections we look to deliver sustainable long-term growth in revenues, earnings and cash flow. We continuously monitor operational performance through key performance indicator (KPI) regimes, seek to retain current customers and proactively engage in dialogue.

These actions aim to enhance our relationship not only with our customers and suppliers, but stakeholders at large. Our operations promote security and stability of communities through local engagement programs, economic contributions as well as activity in the industry forums.

**T.S.S. (Total Security Services) Limited**

**Strategic Report for the Period from 1 November 2021 to 31 December 2022  
(continued)**

*Community and environment*

Our employees touch the lives of others every day, providing crucial services to help keep society safe and secure. We engage with the local communities, government, industry bodies and environmental groups as part of our sustainable development goals strategy. Our key priorities include taking care of health and well-being of our employees through awareness training and ongoing programs, creation of new employment opportunities as well as prevention of crime aiming to generate safe working behaviour for our employees and safe and secure communities.

Although our operations do not have a direct impact on the environment, we recognise our responsibility to combat the climate change. We aim to reduce the intensity of greenhouse gas emissions from our vehicles through implementing efficiencies in the way we operate, we foster energy-saving culture through employee awareness campaigns and we recycle a significant proportion of our waste as to minimise the amount of refuse disposed to landfill.

*Our reputation*

Strong brand and reputation differentiate us in the competitive market place. We hold ourselves, our employees and our business partners to high standards.


We build and maintain our reputation in our day-to-day activities, engaging proactively with our customers, suppliers, employees and other stakeholders, anticipating potential issues and proceeding to a timely resolution. We deliver on our promises and we lead by example.

*Acting fairly*

The Company is a subsidiary of Atlas Ontario LP group and has no external shareholders. We maintain a continuous and open dialogue with our ultimate parent, Atlas Ontario LP, and ensure we stay aligned with the Enlarged Group's values and strategies.

15-Nov-23 | 13:39 GMT

Approved by the Board on ..... and signed on its behalf by:

DocuSigned by:  
  
.....A7022B2A021F40E.....  
H Graham  
Director

## **T.S.S. (Total Security Services) Limited**

### **Directors' Report for the Period from 1 November 2021 to 31 December 2022**

The directors present their report and the audited financial statements for the period from 1 November 2021 to 31 December 2022.

#### **Directors of the Company**

The directors of the Company, who were in office during the period and up to the date of signing, were as follows:

R L Gardezi (resigned 22 March 2022)

J Caplin (resigned 22 March 2022)

R S Chadha (resigned 22 March 2022)

B F Musgrove (resigned 22 March 2022)

O Keck (appointed 22 March 2022 and resigned 3 August 2022)

J M Jago (appointed 22 March 2022 and resigned 28 April 2022)

B F Musgrove (appointed 28 April 2022 and resigned 14 September 2023)

H Graham (appointed 3 August 2022)

The following director was appointed after the period end:

T Kendall (appointed 25 January 2023)

#### **Results and dividends**

The results for the period are set out on page 19. The directors do not recommend the payment of a dividend (2021: £Nil).

A review of the progress of the Company's business during the period, likely future developments, key performance indicators and principal business risks are contained in the Strategic Report on page 2.

#### **Going concern**

The Company has net assets of £14,526,000 and net current assets of £15,366,000 at the year end. In addition, the Company generated a profit of £2,877,000. The Directors have considered this, along with the expected activities of the Company for a period of at least 12 months from the date of the signing of the financial statements, and have reached the conclusion that the Company will be able to meet its future obligations as they fall due and the financial statements have been prepared on a going concern basis.

#### **Employment of disabled persons**

The Company's policy is to provide equal opportunities for employees. It has always been the policy of the Company to encourage, whenever practical, the employment, training and advancement of disabled employees.

## **T.S.S. (Total Security Services) Limited**

### **Directors' Report for the Period from 1 November 2021 to 31 December 2022 (continued)**

#### **Employee engagement**

The Board's engagement with the Company's employees is facilitated through a variety of initiatives and channels.

The Company is committed to inform and involve its employees in the business of the Company. The directors have applied the policies and decisions taken at the Group level during the year in the following ways:

- Formal consultative committees and focus groups have been used to ensure that issues of mutual interest can be discussed and resolved.
- Onboarding, induction and refresher training have continued to be a priority. The Company offers all employees the opportunity to increase their skills and knowledge at work. Employees are encouraged to take responsibility for their own learning on an on-going basis using the extensive range of materials available, and using technology platforms to share training and learning paths more effectively.
- Company newsletters, employees magazines and other communications have been used on a regular basis to keep staff informed of events and performance within the Company.
- Specific campaigns on health and safety, and our values have been conducted, linking to the Company's and wider Group's Corporate Social Responsibility focus.
- Values recognition schemes, aligned with the Company's values, have been utilised to encourage the involvement of employees in the Company's performance and to ensure that the Company's values are promoted in everything we do.

#### **Other stakeholder engagement**

The Board's engagement with other stakeholders is largely driven by processes and initiatives which are decided at a wider Group level.

The Company considers its key other stakeholders to be its customers, its suppliers and the wider society in which it operates.

Through understanding our customers' needs we offer value-added, innovative, cost effective integrated security solutions and we build enduring relationships. This understanding comes from strong engagement with customers. Key areas of interest for customers include quality and price of service delivery, expertise in innovation, health and safety and business ethics.

The Company believes in proactive relationship management. During the year directors attended a number of meetings with customers and shared customer feedback and information with the rest of the Board. If, during contract discussions, we consider that a customer's interests are not well served in the long term by our proposals, we will make this clear even if it impacts negatively on our business. Being open and honest with our customers also means that we will raise concerns with them if we become aware of any business practices or processes in their business which we believe are contrary to their values or may compromise our own values. The Board also reviews customers' changing expectations or needs as part of its strategy session every year.

Our employees touch the lives of others every day, providing crucial services to help keep society safe and secure. The specialist security services delivered by the Company mitigate the risk or impact of criminal behaviour and help to create safer communities.

## **T.S.S. (Total Security Services) Limited**

### **Directors' Report for the Period from 1 November 2021 to 31 December 2022 (continued)**

#### **Environmental matters**

The Company recognises that the threat from climate change to the natural environment and social infrastructure is an important and ongoing concern for the Company's organisation, customers, employees and communities. The Company understands its role in ensuring that the UK meets its target of bringing its greenhouse gas emissions to a net zero by 2050, and is aligned with meeting that timescale if not achieving it sooner.

The Company's key activities are manned guarding and the supply of security technology. The material environmental impacts in Scope 1 and 2 arise mainly from land transport, with additional emissions from use of electricity at the head office. Spend activity with suppliers results in the highest carbon impact.

In 2021, G4S UK & Ireland launched its net-zero carbon strategy, setting an interim science based target using 2020 as a baseline. By 2030, the Company aims to reduce Scope 1 and 2 emissions by 42%, and Scope 3 emissions (purchased goods and services and capital goods) by 25%. By 2050, or sooner, the Company aims to meet all net-zero targets.

During 2022, the Company has invested in further improvements to its greenhouse gas ("GHG") data capture processes, specifically with regard to Scope 3 categories.

To ensure it is on track to achieve its net-zero emission ambitions, during 2022 the Company has:

- Continued to transition its vehicle fleet to low-emission vehicles, such as hybrid and electric power. The Company is working with its partners at LeasePlan and Shell to explore further opportunities for decarbonisation. In 2023, Shell will commence the installation of EV charging at major G4S offices and facilities across the UK. The Company's aim is for its addressable fleet to be zero emission by 2040.
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#### **Greenhouse gas emissions**

The Company uses the financial control approach to identify the GHG emissions for which it has responsibility. The operational boundaries are the geographical delivery within the United Kingdom.

The Company has reported on all emission sources required under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013 and the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ('the 2018 Regulations').

The Company follows the World Business Council for Sustainable Development (WBCSD) and World Resources Institute (WRI) GHG Protocols to measure our scope 1 and 2 emissions for business over which the Company has financial control. In addition the Company has measured relevant categories of Scope 3 emissions.

Emission factors are taken from UK Government GHG Conversion Factors for the Company Reporting and for the relevant period.

The data is based on data collected for the period of 1 November 2021 to 31 December 2022; any exceptions are noted below. Scope 1 and 2 emissions for energy supply to fixed assets are based on invoice data.

## **T.S.S. (Total Security Services) Limited**

### **Directors' Report for the Period from 1 November 2021 to 31 December 2022 (continued)**

#### **Greenhouse gas emissions (continued)**

Scope 3 purchased goods and services, capital goods and water emissions have been converted from spend data. Waste emissions are based on weight data from general waste and confidential waste framework contractors. Other waste emissions are converted from spend data. Air and hotel bookings are based on data from central booking agents, supplemented by additional information on bookings made direct by companies. Radiative Forcing has not been included in air travel calculations. UK rail data is supplied by Trainline.com Limited with Euro Express bookings from our central booking agents. Employee commuting emissions are calculated based on full time employee headcount information for 2020. These numbers were run through a bespoke employee commuting tool, based on UK census data around average modes of travel. Working from home emissions are calculated with reference to the "G4S Global 2nd Home Working Report (Nov 2020)", delivered on 13 November 2020. Scope 3 fuel and energy related activities where the Company pays for its clients energy use as part of its service is based on utility supplier invoice data. Emissions from transportation and distribution of electricity are based on the Scope 2 electricity consumption data. Upstream transportation and distribution emissions are derived from spend data.

#### *Omissions and estimates*

Direct comparative data was not readily available for the year ended 31 October 2021. For this reason, results are presented for the period from 1 November 2021 to 31 December 2022 only.

The spend data for November and December 2021, and for December 2022, was estimated from the average monthly spend in January to November 2022.

The data for homeworking and commuting for the period from 1 January 2022 to 31 December 2022 was extrapolated to cover the period 1 November 2021 to 31 December 2022.

**T.S.S. (Total Security Services) Limited**

**Directors' Report for the Period from 1 November 2021 to 31 December 2022 (continued)**

**Greenhouse gas emissions (continued)**

Emission type	Scope	Period from 1	Period from 1 November	Year ended 31	Year ended 31
		November 2021 to 31 December 2022	2021 to 31 December 2022	October 2021	October 2021
		Consumption	Emission (tCO <sub>2</sub> e)	Consumption	Emission (tCO <sub>2</sub> e)
Natural Gas for buildings	1	None	None	Not reported	Not reported
Other fuel used for buildings	1	None	None	Not reported	Not reported
Business Mileage in Company Cars and Operational vehicles	1	3,501,820 miles	611.7	Not reported	Not reported
Fugitive Emissions from Building Air-conditioning	1	None	None	Not reported	Not reported
Fugitive Emissions from Vehicles	1	None	None	Not reported	Not reported
Electricity for Buildings	2	319,835 kWh	62.7	Not reported	Not reported
Electricity (Transmission and Distribution)	3	For above value use	5.65788	Not reported	Not reported
Electricity (Transmission and Distribution) Indirect	3	For above value use	16.145271	Not reported	Not reported
Business Travel - Air	3	Included in spend data	Included in spend data	Not reported	Not reported
Business Travel - Rail	3	Included in spend data	Included in spend data	Not reported	Not reported
Business Travel - Road	3	727,428 miles	198.8	Not reported	Not reported
Business Travel - Hotels	3	Included in spend data	Included in spend data	Not reported	Not reported
Indirect Emissions Well To Tank additions for Scope 1 Road Transport	3	Based on Scope 1 data	183.6	Not reported	Not reported

**T.S.S. (Total Security Services) Limited**

**Directors' Report for the Period from 1 November 2021 to 31 December 2022 (continued)**

**Greenhouse gas emissions (continued)**

Emission type	Scope	Period from 1	Period from 1 November	Year ended 31	Year ended 31
		November 2021 to 31 December 2022	2021 to 31 December 2022	October 2021	October 2021
		Consumption Calculated from FTE numbers and national data and extrapolated to	Emission (tCO <sub>2</sub> e)	Consumption	Emission (tCO <sub>2</sub> e)
Commuting	3	14 months	1,117	Not reported	Not reported
Homeworking	3	4,298 hours	22	Not reported	Not reported
Supply chain	3	£12,837,748	1,866	Not reported	Not reported
Waste	3	18.665 tonnes	0.3971912	Not reported	Not reported
<b>Scope 1 Total</b>			<u>612</u>		<u>Not reported</u>
<b>Scope 2 Total</b>			<u>62.7</u>		<u>Not reported</u>
<b>Scope 3 Total</b>			<u>3,409</u>		<u>Not reported</u>
<b>Grand Total</b>			<u>4,083</u>		<u>Not reported</u>

## T.S.S. (Total Security Services) Limited

### Directors' Report for the Period from 1 November 2021 to 31 December 2022 (continued)

#### Greenhouse gas emissions (continued)

##### *Intensity measure*

Services delivered by the Company vary on the current portfolio of clients and service contracts in place. The only consistent, stable and applicable performance indicator is annual turnover versus the carbon emissions generated by the Company. This has been the approach since the Company's intermediate parent, G4S Limited, started reporting its GHG emissions in 2008.

The intensity measure used is the quantity of CO<sub>2</sub>e per £ of revenue generated. It is not possible to compare carbon intensity to the previous SECR report for the Company, as this was calculated based on carbon per square metre. The G4S Limited group expresses carbon intensity based on revenue, which is presented below.

##### *Emissions intensity ratio*

t/CO<sub>2</sub>e per £m turnover

Period from 1 November to 31 December 2022 (all emissions): 23.4

#### Financial risk management

The Company operates under the financial risk management objectives and policies of its intermediate parent, G4S Limited. G4S Limited's key objectives and policies include:

- Liquidity risk is managed in the context of the Enlarged Group to ensure that sufficient funding is available to the Group; and
- Conducting investing and financing activities, wherever possible, in either the Company's local currency or that of its investors (USD\$).

#### Statement of private company governance arrangements

The Company's immediate parent, G4S Secure Solutions (UK) Limited, provides further details about the G4S Secure Solutions (UK) Limited Group's approach to the implementation of the UK Corporate Governance Code 2018 in its annual report.

#### Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual 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), including FRS 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 the 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

**T.S.S. (Total Security Services) Limited**

**Directors' Report for the Period from 1 November 2021 to 31 December 2022  
(continued)**

**Statement of directors' responsibilities in respect of the financial statements (continued)**

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.

The directors are responsible for the maintenance and integrity of the information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Directors' indemnity**

Allied Universal Topco LLC has granted indemnities to each of the Company's directors to the extent permitted by law. Qualifying third-party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the period ended 31 December 2021 and remain in force in relation to certain losses and liabilities which the directors may incur to third parties in the course of acting as directors. Allied Universal Topco LLC has maintained a directors'; and officers' liability insurance policy throughout the period under review.

**Disclosure of information to the auditor**

In the case of each director in office at the date the Directors' Report is approved:


- So far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- They have taken all the steps that he/she ought to have taken as a director in order to make him/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Independent auditor**

The auditor, Deloitte LLP was appointed during the year, and has indicated their willingness to continue in office and a resolution confirming their appointment will be approved at the Annual General meeting.

15-Nov-23 | 13:39 GMT

Approved by the Board on ..... and signed on its behalf by:

DocuSigned by:  
  
 .....A7022B2A024F40E.....  
 H Graham  
 Director

## **T.S.S. (Total Security Services) Limited**

### **Independent Auditor's Report to the Members of T.S.S. (Total Security Services) Limited**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion the financial statements of T.S.S. (Total Security Services) Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "the Financial Reporting Standard applicable in the UK and the Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of comprehensive income;
- the statement of changes in equity;
- the statement of financial position; and
- the related notes 1 to 18.

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 the Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

##### **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 UK, including the Financial Reporting Council's (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 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

## **T.S.S. (Total Security Services) Limited**

### **Independent Auditor's Report to the Members of T.S.S. (Total Security Services) Limited (continued)**

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 course of 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.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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.

#### **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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Extent to which the audit was considered 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.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included Companies Act 2006 and UK tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as tax regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

## **T.S.S. (Total Security Services) Limited**

### **Independent Auditor's Report to the Members of T.S.S. (Total Security Services) Limited (continued)**

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the design and implementation of controls over prevention and detection of fraud; tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

#### **Report on other legal and regulatory requirements**

##### **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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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 any material misstatements in the strategic report or the directors' report.

##### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

**T.S.S. (Total Security Services) Limited**

**Independent Auditor's Report to the Members of T.S.S. (Total Security Services) Limited (continued)**

**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.

DocuSigned by:  


.....D485B0C40F02431.....

Matthew Hughes, ACA (Senior Statutory Auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
London, United Kingdom

15-Nov-23 | 15:26 GMT

Date:.....

**T.S.S. (Total Security Services) Limited**

**Income Statement for the Period from 1 November 2021 to 31 December 2022**

	Note	Period from 1 November 2021 to 31 December 2022 £ 000	Year ended 31 October 2021 £ 000
Revenue	4	174,699	132,667
Cost of sales		<u>(155,209)</u>	<u>(113,855)</u>
<b>Gross profit</b>		19,490	18,812
Administrative expenses		<u>(15,870)</u>	<u>(14,846)</u>
<b>Operating profit</b>	5	3,620	3,966
Finance income	9	-	1
Finance costs	10	<u>(182)</u>	<u>(100)</u>
<b>Profit before income tax</b>		3,438	3,867
Income tax expense	11	<u>(561)</u>	<u>(923)</u>
<b>Profit for the financial period</b>		<u><u>2,877</u></u>	<u><u>2,944</u></u>

The above results were derived from continuing operations.

There was no other comprehensive income for the period (year ended 31 October 2021: £Nil).

**T.S.S. (Total Security Services) Limited****Statement of Comprehensive Income for the Period from 1 November 2021 to 31 December 2022**

	<b>Period from 1 November 2021 to 31 December 2022 £ 000</b>	<b>Year ended 31 October 2021 £ 000</b>
Profit for the financial period	<u>2,877</u>	<u>2,944</u>
<b>Total comprehensive income for the financial period</b>	<u><u>2,877</u></u>	<u><u>2,944</u></u>

**T.S.S. (Total Security Services) Limited**

**Statement of Changes in Equity for the Period from 1 November 2021 to 31 December 2022**

	Share capital £ 000	Capital redemption reserve £ 000	Retained earnings £ 000	Total £ 000
At 1 November 2020	-	1	8,704	8,705
<b>Comprehensive income:</b>				
Profit for the financial period	-	-	2,944	2,944
Total comprehensive income for the financial year	-	-	2,944	2,944
<b>At 31 October 2021</b>	<b>-</b>	<b>1</b>	<b>11,648</b>	<b>11,649</b>
At 1 November 2021	-	1	11,648	11,649
<b>Comprehensive income:</b>				
Profit for the financial period	-	-	2,877	2,877
Total comprehensive income for the financial year	-	-	2,877	2,877
<b>At 31 December 2022</b>	<b>-</b>	<b>1</b>	<b>14,525</b>	<b>14,526</b>

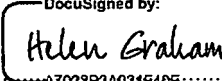
The notes on pages 23 to 37 form an integral part of these financial statements.

**T.S.S. (Total Security Services) Limited****(Registration number: 02426982)****Statement of Financial Position as at 31 December 2022**

	Note	31 December 2022 £ 000	31 October 2021 £ 000
<b>Fixed assets</b>			
Property, plant and equipment	12	1,238	1,379
<b>Current assets</b>			
Trade and other receivables	13	38,187	29,475
Cash and cash equivalents		<u>1,033</u>	<u>5,450</u>
		39,220	34,925
<b>Creditors: Amounts falling due within one year</b>			
Trade and other payables	14	<u>(23,854)</u>	<u>(23,967)</u>
<b>Net current assets</b>		<u>15,366</u>	<u>10,958</u>
<b>Total assets less current liabilities</b>		16,604	12,337
<b>Provisions for liabilities</b>	15	<u>(2,078)</u>	<u>(688)</u>
<b>Net assets</b>		<u><u>14,526</u></u>	<u><u>11,649</u></u>
<b>Equity</b>			
Share capital	16	-	-
Capital redemption reserve		1	1
Retained earnings		<u>14,525</u>	<u>11,648</u>
<b>Total shareholders' funds</b>		<u><u>14,526</u></u>	<u><u>11,649</u></u>

15-Nov-23 | 13:39 GMT

The financial statements on pages 19 to 37 were approved by the Board on ..... and signed on its behalf by:

DocuSigned by:  
  
 .....A7022B2A021F40E.....  
 H Graham  
 Director

The notes on pages 23 to 37 form an integral part of these financial statements.

## **T.S.S. (Total Security Services) Limited**

### **Notes to the Financial Statements for the Period from 1 November 2021 to 31 December 2022**

#### **1 General information**

T.S.S. (Total Security Services) Limited is incorporated in the United Kingdom, registered in England and Wales, and domiciled in the UK. It is a private company, limited by shares. The Company's registered office is: The Curve, 18 Hickman Avenue, Highams Park, London, E4 9JG.

The financial statements are presented in sterling, which is the Company's functional currency, and in thousands of pounds unless stated otherwise.

For details of the Company's principal activities, please refer to the Strategic Report on page 2.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Basis of preparation**

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

##### **Going concern**

The Company has net assets of £14,526,000 and net current assets of £15,366,000 at the period end. In addition, the Company generated a profit of £2,877,000. The Directors have considered this, along with the expected activities of the Company for a period of at least 12 months from the date of the signing of the financial statements, and have reached the conclusion that the Company will be able to meet its future obligations as they fall due and the financial statements have been prepared on a going concern basis.

##### **Summary of disclosure exemptions**

The Company meets the definition of a qualifying entity under FRS102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in relation to presentation of a cash flow statement, share based payments and related party transactions.

##### **Disclosure of long or short period**

The Company's reporting period has been changed in order to bring it into line with other Group companies. As a result the current reporting period is longer than one year, at 14 months, and the comparative amounts presented in the financial statements (including the related notes) are not entirely comparable.

## **T.S.S. (Total Security Services) Limited**

### **Notes to the Financial Statements for the Period from 1 November 2021 to 31 December 2022 (continued)**

#### **2 Accounting policies (continued)**

##### **Revenue recognition**

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:

- The amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due; and
- the costs incurred or to be incurred in respect of the contract can be measured reliably.

The company provides a range of security, manpower and associated support services to its customers. Revenue from these services is recognised in accordance with the hours worked.

Any differences between the amounts invoiced to customers and the amounts to be recognised in accordance with the hours worked are treated as accrued income and included within debtors falling due within one year in the financial statements.

##### **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.

##### **Finance income and finance costs**

Finance income is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable. This is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset's net carrying amount.

Finance costs are recognised as an expense in the income statement on the same basis.

## **T.S.S. (Total Security Services) Limited**

### **Notes to the Financial Statements for the Period from 1 November 2021 to 31 December 2022 (continued)**

#### **2 Accounting policies (continued)**

##### **Foreign currencies**

These financial statements are presented in sterling, which is the Company's functional currency. Transactions in currencies other than the functional currency are translated at the rates of exchange prevailing on the date of the transactions. At each reporting date, monetary assets and liabilities which are denominated in other currencies are retranslated at the rates prevailing on that date. Non-monetary items measured at historical cost denominated in other currencies are not retranslated. Gains and losses arising on retranslation are included in the income statement.

##### **Income tax**

Tax is recognised in the income statement except to the extent that it relates to items recognised in equity, in which case it is recognised in equity or in other comprehensive income. The tax expense represents the sum of current tax and deferred tax.

Current tax is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of potential deferred tax assets is re-assessed at each balance sheet date and recognised to the extent that it is probable that sufficient taxable profits will be available to allow those assets to be recovered.

Deferred tax is measured based on the tax rates that have been enacted or substantively enacted by the end of the reporting period.

Tax liabilities or refunds may differ from those anticipated due to changes in tax legislation, differing interpretations of tax legislation and uncertainties surrounding the application of tax legislation. In situations where uncertainties exist, provision is made for contingent tax liabilities and assets on the basis of management judgement following consideration of the available relevant information.

##### **Property, plant and equipment**

Property, plant and equipment is stated at cost, net of accumulated depreciation and any provision for impairment.

## T.S.S. (Total Security Services) Limited

### Notes to the Financial Statements for the Period from 1 November 2021 to 31 December 2022 (continued)

#### 2 Accounting policies (continued)

##### Depreciation

Depreciation is charged so as to write off the cost of assets, other than assets under construction, less any estimated residual value, over their estimated useful economic lives on a straight-line basis, as detailed below.

Where significant, the residual values and the useful economic lives of property, plant and equipment are re-assessed annually.

Assets held under leases are depreciated over the shorter of their expected useful economic lives and the terms of the relevant lease.

<b>Asset class</b>	<b>Depreciation rate</b>
Short leasehold property	Over the lease term
Motor vehicles	25% reducing balance
Fixtures and fittings	25% reducing balance
Computer equipment	33.33% straight line

##### Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

##### *Trade and other receivables*

Trade and other receivables do not carry interest. They are initially recognised at fair value which represents the amount of consideration that is unconditional. They are subsequently carried at amortised cost using the effective interest method less loss allowances.

##### *Amounts owed by/to Group undertakings*

Amounts owed by/to Group undertakings (members of the Enlarged group) are recognised initially at fair value and are subsequently stated at amortised cost. Finance income and expense are recognised in the income statement on an accruals basis using the effective interest method.

##### *Accrued income*

Accrued income arises in relation to services provided that have not been invoiced at the year end.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and factoring of receivables' balances.

##### *Trade and other payables*

Trade and other payables do not carry interest. They are initially recognised at fair value and they are subsequently carried at amortised cost using the effective interest method.

##### Provisions

Provisions are recognised when a present legal or constructive obligation exists for a future liability in respect of a past event and where the amount of the obligation can be estimated reliably. The amount recognised as a provision is the Company's best estimate of the likely outflows at the end of the reporting period.

The Company provides for anticipated costs where an outflow of resources is considered probable and a reasonable estimate can be made of the likely outcome. The ultimate liability may vary from the amounts provided and will be dependent upon the eventual outcome of any settlement. Management exercise judgement in measuring the Company's exposure through assessing the likelihood that a potential claim or liability will arise and in quantifying the possible range of financial outcomes.

## **T.S.S. (Total Security Services) Limited**

### **Notes to the Financial Statements for the Period from 1 November 2021 to 31 December 2022 (continued)**

#### **2 Accounting policies (continued)**

##### **Provisions (continued)**

Where the time value of money is material, provisions are stated at the present value of the expected expenditure using an appropriate discount rate.

##### **Leases**

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

##### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **3 Critical accounting judgements and key sources of estimation uncertainty**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of the Company's accounting policies. These judgements, estimates and associated assumptions are based on historical experience, current and expected economic conditions, and in some cases, actuarial techniques as well as the various other factors that are believed to be reasonable under the circumstances.

The judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Although these judgements, estimates and associated assumptions are based on management's best knowledge of current events and circumstances, the actual results may differ.

The judgements, estimates and assumptions which are of most significance in the preparation of the Company's financial statements are detailed below:

##### *Judgements*

In the course of preparing the financial statements, no judgements have been made in the process of applying the Company's accounting policies that have had a significant effect on the amounts recognised in the financial statements.

##### *Estimates*

The estimates which are of most significance in the preparation of the Company's financial statements are detailed below.

##### **Provisions**

The Company has estimated the level of provision required in respect of additional payroll liabilities and additional property dilapidations, as described in note 15, based on management's experience and the amounts paid during the year and subsequent to the period end.

## T.S.S. (Total Security Services) Limited

### Notes to the Financial Statements for the Period from 1 November 2021 to 31 December 2022 (continued)

#### 4 Revenue

The analysis of the Company's revenue for the period from continuing operations is as follows:

	Period from 1 November 2021 to 31 December 2022 £ 000	Year ended 31 October 2021 £ 000
Rendering of services	<u>174,699</u>	<u>132,667</u>

The analysis of the Company's turnover for the period by market is as follows:

	Period from 1 November to 31 December 2022 £ 000	Year ended 31 October 2021 £ 000
UK	173,284	131,385
Europe	<u>1,415</u>	<u>1,282</u>
	<u>174,699</u>	<u>132,667</u>

#### 5 Operating profit

Operating profit is arrived at after charging/(crediting):

	Period from 1 November 2021 to 31 December 2022 £ 000	Year ended 31 October 2021 £ 000
Depreciation expense	436	334
Foreign exchange (losses)/gains	(4)	18
Operating lease expense	710	565
Loss on disposal of property, plant and equipment	<u>1</u>	<u>-</u>

**T.S.S. (Total Security Services) Limited**

**Notes to the Financial Statements for the Period from 1 November 2021 to 31 December 2022 (continued)**

**6 Staff costs**

The aggregate payroll costs (including directors' remuneration) were as follows:

	<b>Period from 1 November 2021 to 31 December 2022 £ 000</b>	<b>Year ended 31 October 2021 £ 000</b>
Wages and salaries	143,709	107,765
Social security costs	13,024	8,059
Pension costs, defined contribution scheme	<u>2,361</u>	<u>1,712</u>
	<u>159,094</u>	<u>117,536</u>

The average number of persons paid by the Company (including directors) during the year, analysed by category was as follows:

	<b>Period from 1 November 2021 to 31 December 2022 No.</b>	<b>Year ended 31 October 2021 No.</b>
Office and management	193	183
Guarding	<u>6,219</u>	<u>5,780</u>
	<u>6,412</u>	<u>5,963</u>

The average number of persons employed by the Company (including directors) during the year, analysed by category was as follows:

	<b>Period from 1 November 2021 to 31 December 2022 No.</b>	<b>Year ended 31 October 2021 No.</b>
Office and management	193	183
Guarding	<u>8,022</u>	<u>5,774</u>
	<u>8,215</u>	<u>5,957</u>

## T.S.S. (Total Security Services) Limited

### Notes to the Financial Statements for the Period from 1 November 2021 to 31 December 2022 (continued)

#### 7 Directors' remuneration

The directors' remuneration for the period was as follows:

	Period from 1 November 2021 to 31 December 2022 £ 000	Year ended 31 October 2021 £ 000
Remuneration *	774	2,897
Pension costs, defined contribution scheme	6	6
	<u>780</u>	<u>2,903</u>

During the year retirement benefits were accruing to one director (2021: 2) in respect of defined contribution schemes.

The remuneration of the highest paid director for the period was as follows:

	Period from 1 November 2021 to 31 December 2022 £ 000	Year ended 31 October 2021 £ 000
Remuneration *	<u>386</u>	<u>1,610</u>

\* Included within directors' remuneration are: base pay, benefits, annual bonus and cash pension allowance paid.

#### 8 Auditor's remuneration

Fees payable to the Company's auditor were as follows:

	Period from 1 November 2021 to 31 December 2022 £ 000	Year ended 31 October 2021 £ 000
Audit of the financial statements	138	12
Non-audit services	-	13
	<u>138</u>	<u>25</u>

## T.S.S. (Total Security Services) Limited

### Notes to the Financial Statements for the Period from 1 November 2021 to 31 December 2022 (continued)

#### 9 Finance income

	Period from 1 November 2021 to 31 December 2022 £ 000	Year ended 31 October 2021 £ 000
Interest income on cash and cash equivalents	-	1

#### 10 Finance costs

	Period from 1 November 2021 to 31 December 2022 £ 000	Year ended 31 October 2021 £ 000
Other finance costs	182	100

#### 11 Income tax expense

Tax expensed in the income statement is as follows:

	Period from 1 November 2021 to 31 December 2022 £ 000	Year ended 31 October 2021 £ 000
<b>Current tax</b>		
UK corporation tax	724	803
UK corporation tax adjustment to prior periods	3	162
Total current tax	727	965
<b>Deferred tax</b>		
Arising from origination and reversal of temporary differences	(68)	(42)
Arising from changes in tax rates and laws	(50)	-
Arising from previously unrecognised tax loss, tax credit or temporary difference of prior periods	(48)	-
Total deferred tax	(166)	(42)
Total income tax expense in the income statement	561	923

## T.S.S. (Total Security Services) Limited

### Notes to the Financial Statements for the Period from 1 November 2021 to 31 December 2022 (continued)

#### 11 Income tax expense (continued)

The tax charge on profit for the period is the same as (year ended 31 October 2021: the same as) the standard rate of corporation tax in the UK of 19% (year ended 31 October 2021: 19%).

The differences are reconciled below:

	<b>Period from 1 November 2021 to 31 December 2022 £ 000</b>	<b>Year ended 31 October 2021 £ 000</b>
Profit before income tax	<u>3,438</u>	<u>3,867</u>
Corporation tax at standard rate	653	735
Increase in current tax from adjustment for prior periods	3	162
Increase from effect of expenses not deductible in determining taxable profit	3	26
Deferred tax credit from unrecognised temporary difference from a prior period	(48)	-
Deferred tax credit relating to changes in tax rates or laws	<u>(50)</u>	<u>-</u>
Total income tax expense	<u>561</u>	<u>923</u>

The standard rate of corporation tax for the current period is the same as the standard rate of corporation tax for the prior year.

#### Deferred tax

Deferred tax assets and liabilities assets and liabilities are as follows:

	<b>Asset £ 000</b>	<b>Liability £ 000</b>	<b>Net deferred tax £ 000</b>
<b>2022</b>			
Accelerated tax depreciation	-	(72)	(72)
Accruals	<u>283</u>	<u>-</u>	<u>283</u>
	<u>283</u>	<u>(72)</u>	<u>211</u>
<b>2021</b>			
Accelerated tax depreciation	-	(38)	(38)
Accruals	<u>85</u>	<u>-</u>	<u>85</u>
	<u>85</u>	<u>(38)</u>	<u>46</u>

## T.S.S. (Total Security Services) Limited

### Notes to the Financial Statements for the Period from 1 November 2021 to 31 December 2022 (continued)

#### 11 Income tax expense (continued)

Deferred tax movement during the period is as follows:

	At 1 November 2021 £ 000	Recognised in income £ 000	At 31 December 2022 £ 000
Accelerated tax depreciation	(38)	(33)	(72)
Accruals	85	(198)	283
Net tax assets/(liabilities)	<u>46</u>	<u>(232)</u>	<u>211</u>

Deferred tax movement during the prior year was as follows:

	At 1 November 2020 £ 000	Recognised in income £ 000	At 31 October 2021 £ 000
Accelerated tax depreciation	-	(38)	(38)
Accruals	-	85	85
Net tax assets/(liabilities)	<u>-</u>	<u>46</u>	<u>46</u>

Deferred tax assets and liabilities on temporary differences have been calculated using the UK corporation tax rate which will apply in the period during which they are expected to reverse.

In the Spring Budget 2021, the Government announced that from 1 April 2023, the corporation tax rate will increase to 25%. This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

Deferred tax assets and liabilities on temporary differences have been provided at 25%.

The Company has a temporary difference on fixed assets of £283,000 as at 31 December 2022 (31 October 2021: £203,000). The use of these in the future is very flexible in that the Company can choose whether to make a claim for them each year and can then effectively shelter taxable profits in any other group company within the UK tax group with these tax deductions by surrendering losses as group relief, for which the Company receives payment. As a result, the Company is recognising a full deferred tax asset of £72,000 on this (31 October 2021: £38,000).

## T.S.S. (Total Security Services) Limited

### Notes to the Financial Statements for the Period from 1 November 2021 to 31 December 2022 (continued)

#### 12 Property, plant and equipment

	Short leasehold property £ 000	Motor vehicles £ 000	Fixtures and fittings £ 000	Computer equipment £ 000	Total £ 000
<b>Cost</b>					
At 1 November 2021	2,265	320	192	293	3,070
Additions	-	291	-	13	304
Disposals	-	(28)	-	-	(28)
At 31 December 2022	<u>2,265</u>	<u>583</u>	<u>192</u>	<u>306</u>	<u>3,346</u>
<b>Accumulated depreciation</b>					
At 1 November 2021	1,133	166	137	255	1,691
Charge for the period	262	126	16	32	436
Eliminated on disposal	-	(19)	-	-	(19)
At 31 December 2022	<u>1,395</u>	<u>273</u>	<u>153</u>	<u>287</u>	<u>2,108</u>
<b>Carrying amount</b>					
At 31 December 2022	<u>870</u>	<u>310</u>	<u>39</u>	<u>19</u>	<u>1,238</u>
At 31 October 2021	<u>1,132</u>	<u>154</u>	<u>55</u>	<u>38</u>	<u>1,379</u>

#### 13 Trade and other receivables

	31 December 2022 £ 000	31 October 2021 £ 000
Trade receivables	33,395	28,695
Accrued income	3,850	-
Other receivables	118	98
Prepayments	613	636
Deferred taxation	211	46
	<u>38,187</u>	<u>29,475</u>

## T.S.S. (Total Security Services) Limited

### Notes to the Financial Statements for the Period from 1 November 2021 to 31 December 2022 (continued)

#### 14 Trade and other payables

	31 December 2022 £ 000	31 October 2021 £ 000
Trade payables	1,635	4,939
Corporation tax	724	1,381
Social security and other taxes	7,942	5,981
Accrued expenses	11,961	11,666
Amounts owed to Group undertakings	109	-
Other payable	1,483	-
	23,854	23,967

The amounts owed to Group undertakings are owed to the Company's immediate parent and are trading in nature, unsecured, interest-free and repayable on demand.

#### 15 Provisions for liabilities

	Provision for payroll liabilities £ 000	Provision for property dilapidations £ 000	Total £ 000
At 1 November 2021	688	-	688
Additional provisions in the year	1,188	202	1,390
At 31 December 2022	1,876	202	2,078

The above provision for payroll liabilities is in relation to additional payroll liabilities for which it is probable, in the opinion of the directors, that the Company will incur costs. The timing of these costs is unknown. The above provision represents the directors' best estimate of these costs.

The provision for property dilapidations is in relation to expected repair costs for leased properties. The provision is expected to be utilised by October 2025. The provision represents the directors' best estimate of these costs.

**T.S.S. (Total Security Services) Limited**

**Notes to the Financial Statements for the Period from 1 November 2021 to 31 December 2022 (continued)**

**16 Share capital**

**Allotted, called up and fully paid shares**

	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
	<b>No.</b>	<b>£</b>	<b>No.</b>	<b>£</b>
Ordinary shares of £1 each	<u>190</u>	<u>190</u>	<u>190</u>	<u>190</u>

**17 Commitments under operating leases**

At 31 December 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>Period from 1 November 2021 to 31 December 2022</b>	<b>Year ended 31 October 2021</b>
	<b>£ 000</b>	<b>£ 000</b>
<b>Land and buildings</b>		
Not later than 1 year	184	285
Later than 1 year and not later than 5 years	<u>321</u>	<u>567</u>
	<u>505</u>	<u>852</u>
	<b>Period from 1 November 2021 to 31 December 2022</b>	<b>Year ended 31 October 2021</b>
	<b>£ 000</b>	<b>£ 000</b>
<b>Other</b>		
Not later than 1 year	28	102
Later than 1 year and not later than 5 years	<u>-</u>	<u>131</u>
	<u>28</u>	<u>233</u>

**T.S.S. (Total Security Services) Limited**

**Notes to the Financial Statements for the Period from 1 November 2021 to 31 December 2022 (continued)**

**18 Parent and ultimate parent undertaking**

The Company's immediate parent undertaking is G4S Secure Solutions (UK) Limited.

The Company's ultimate parent undertaking and ultimate controlling party is Atlas Ontario LP, a limited partnership formed under the laws of the Province of Ontario, Canada. The registered office of Atlas Ontario LP is 450 Exchange, Irvine, California 92602, USA. Atlas Ontario LP is also the parent undertaking of both the smallest and largest groups which include the results of the Company and for which consolidated financial statements are prepared.

Copies of the consolidated financial statements of Atlas Ontario LP are available from the G4S website ([www.g4s.com](http://www.g4s.com)).