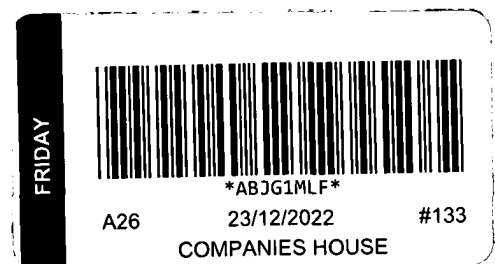


MAN Commercial Protection Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended

30 September 2022



Company Registration No. 4639310

MAN Commercial Protection Limited

OFFICERS AND ADVISERS

DIRECTORS

I McCallister
T McCallister

COMPANY SECRETARY

T McCallister

REGISTERED OFFICE

5 Highlands Court
Cranmore Avenue
Solihull
West Midlands
B90 4LE

BANKERS

Lloyds TSB
P O Box 70
125 Colmore Row
Birmingham
B3 3SD

AUDITOR

RSM UK Audit LLP
Chartered Accountants
10th Floor
103 Colmore Row
Birmingham
B3 3AG

MAN Commercial Protection Limited

CONTENTS

	Page
Strategic report	2 - 4
Directors' report including statement of directors' responsibilities	5 - 7
Independent auditor's report	8 - 10
Statement of comprehensive income	11
Statement of financial position	12
Statement of changes in equity	13
Statement of cash flows	14
Accounting policies	15 - 18
Notes to the financial statements	19 - 27

MAN Commercial Protection Limited

STRATEGIC REPORT

The directors submit their Strategic Report for the year ended 30 September 2022.

PRINCIPAL ACTIVITIES

The principal activity of the company in the year under review continued to be in the provision of static and event security services.

REVIEW OF BUSINESS AND KEY PERFORMANCE INDICATORS (“KPIs”)

We aim to present a balanced review of the performance of the business during the year. Our review is consistent with the size and nature of our business and its ownership structure. We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover and profit margins.

Turnover for the year was £51,845,179 (2021: £50,023,500). Gross profit margin for the year was 9.2% (2021: 9.7%).

Turnover grew by 3.6% compared to the previous year as we won and commenced the operation of a number of new contracts whilst additional contract hours related to the pandemic concluded. The main increase in operating costs came from investment in internal recruitment, vetting and HR resources to support future growth.

Cash collections during the year were very good and we reduced our borrowings substantially.

Once again, the company started and finished the year with a strong pipeline of tender opportunities. Contract margins continue to be under severe pressure and the security market remains very competitive.

The company has further increased its net assets this year as a result of its profitability. Net assets at 30 September 2022 are £2,502,029 (2021: £1,875,524).

FINANCIAL INSTRUMENTS

The company's principal financial instruments comprise bank balances, trade debtors and trade creditors that arise directly from its operations. The financial risk management objectives and policies of the company aim to minimise the risk of disruption to the business. Counter party risk relating to bank balances is managed by banking with financial institutions with strong credit ratings. Liquidity and cash flow risk is managed by regular review of funding needs and maintaining an invoice discounting facility. The company has no material exposure to interest rate risk, price risk or foreign exchange risk.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties affecting the company in the future are:

- Recruitment
- Loss of a major customer
- Introduction of further government legislation increasing the costs of employment

The directors monitor and manage these risks through maintaining awareness of the markets within which they operate. A careful and sensitive approach to pricing and tight cost management, together with the maintenance of strong relationships with customers and suppliers, will ensure that the company can adapt to changing market conditions.

MAN Commercial Protection Limited

STRATEGIC REPORT

FUTURE DEVELOPMENTS

The market remains extremely competitive but we continue to have a good pipeline of tender opportunities to bid for and we anticipate both further organic sales growth and improved profitability in 2023. We have secured funding to ensure we have appropriate headroom for our future plans, including potential acquisitions, and we are continuing to invest in business development and customer service.

We acquired a third Head Office building in October 2022 where we are establishing a Training Academy to support the development of our employees and our customers' employees. In 2023 we also plan to offer training courses to members of the public who want to enter our industry as part of our commitment to grow the available labour force.

SECTION 172

Section 172 of the Companies Act 2006 requires the Directors to take into consideration the interests of stakeholders in their decision making and to operate in a manner that benefits the various individuals and entities. The Board is committed to the highest standards of performance and integrity in its dealings both internally and externally.

The Company worked closely with all stakeholders throughout FY 22 to ensure that the impact of and response to the Covid pandemic was clearly understood and supported by all parties. The effectiveness of that approach and collaboration is evident in both the result for the financial year and the strength of the Company as it enters FY23.

The key features of the approach by area are briefly described as follows:

Customers

The Company is focused on meeting the needs of its customers in terms of quality and service, enabling them to succeed.

We work attentively with our customers to understand their evolving needs so we can improve and adapt to meet them. Our Chief Executive Officer and Senior Account Director have remained in close contact directly and indirectly with key customers to understand their concerns and support their needs, minimising any potential disruption from the Covid pandemic.

Suppliers and sub-contractors

We depend on the capability and performance of our suppliers and subcontractors to help deliver the services to our customers. Regular meetings are held with suppliers and sub-contractors to ensure they are meeting the Service Level Agreements that they have in place and we follow up on any suppliers or sub-contractors where the service level is not meeting the agreed targets, working with them to rectify this where possible.

Employees

Our people have a crucial role in delivering our service and creating value. We use a range of regular communication channels to keep employees briefed on any ongoing initiatives that may affect them. During FY22 all employees were encouraged to take part in a staff engagement survey which had the full support of the Board. Since the results of the survey, the Company has been working with employees to roll out new initiatives and improve our internal processes.

Risk assessments, training and support have been provided the those working from home.

MAN Commercial Protection Limited

STRATEGIC REPORT

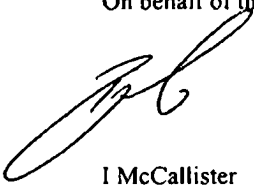
Community and the Environment

The Company has policies in place which consider its impact on the environment, human rights, anti-corruption and anti-bribery.

The Company is constantly considering the environment when carrying out day to day services and looking for ways to reduce its carbon footprint.

Throughout the year the Company supported the local community by donating items for fundraisers.

On behalf of the Board



I McCallister

Date: 20/12/2022

MAN Commercial Protection Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of MAN Commercial Protection Limited for the year ended 30 September 2022.

DIRECTORS

The following directors held office since 1 October 2021:

I McCallister
T McCallister

INDEMNITY PROVISION FOR DIRECTORS

Qualifying third party indemnity provision is in place for the directors of the company.

DIVIDENDS

During the year, dividends of £222,000 (2021: £1,300,000) were paid in respect of the year ended 30 September 2022. The directors do not recommend payment of a further dividend.

EMPLOYEE ENGAGEMENT

The company encourages the involvement of its employees in its management through regular meetings of the management team which has responsibility for the dissemination of information of particular concern to employees, including financial and economic factors affecting performance of the company, and for receiving their views on important matters of policy.

Employees are also recognised in our Employee of the Month and Long Service Award programmes and through internal promotion and progression.

DISABLED PERSONS

The company will employ disabled persons when they appear to be suitable for a particular vacancy and every effort is made to ensure that they are given full and fair consideration when such vacancies arise. During employment, the company seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training and development opportunities are available to enable them to reach their full potential. There is a training scheme in operation so that employees who have been injured or disabled in the course of their employment can, where possible, continue in employment with the company.

STATEMENT OF THE DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report and 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 of the profit and loss of the company for that year. In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- d. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

MAN Commercial Protection Limited

DIRECTORS' REPORT

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.

STRATEGIC REPORT

The information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 has been included in the Strategic Report in accordance with section 414c (11) of the Companies Act 2006.

AUDITORS

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

STREAMLINED ENERGY AND CARBON REPORTING

SECR reporting for the business provides information on the carbon footprint of the business including energy consumption, CO2 emissions and an intensity metric.

	2022	2021
<i>Energy consumption</i>	Kwh	
Aggregate of energy consumption in the year	<u>719,216</u>	<u>784,982</u>
<i>Emissions of CO2 equivalent</i>	Metric tonnes	Metric tonnes
- Transport	515.31	600.00
- Gas	51.11	41.77
- Electricity	52.39	33.65
Total gross emissions	<u>618.81</u>	<u>675.42</u>
<i>Intensity ratio</i>		
Tonnes CO2 per operational employee	<u>0.51</u>	<u>0.53</u>

Quantification and reporting methodology

Energy consumption data is based on metered consumption of the relevant fuel sources and/or supplier invoices. We have also used the UK Government conversion factors for company reporting.

MAN Commercial Protection Limited

DIRECTORS' REPORT

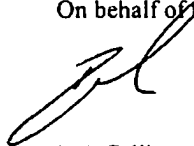
Intensity measurement

The selected intensity measurement ratio is total gross emissions in metric tonnes CO2 equivalent per operational employee as over 80% of our energy consumption relates to delivery of security services at our customer sites.

Measures taken to improve energy efficiency

Two electric car charging points have been installed outside the Head Office and an additional two will be installed in December 2022 as part of the expansion and refurbishment of our properties. Company vehicles continue to be replaced with hybrid or electric vehicles as the existing leases expire leading to an increase in the average mile achieved per gallon of fuel whilst the CO2 emissions have decreased.

On behalf of the Board



I McCallister
Director

Date: 20/12/2022

MAN Commercial Protection Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAN COMMERCIAL PROTECTION LIMITED (CONTINUED)

Opinion

We have audited the financial statements of MAN Commercial Protection Limited (the 'company') for the year ended 30 September 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

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.

MAN Commercial Protection Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAN COMMERCIAL PROTECTION LIMITED (CONTINUED)

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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on pages 5 and 6, 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

MAN Commercial Protection Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAN COMMERCIAL PROTECTION LIMITED (CONTINUED)

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Security Industry Authority (SIA). We performed audit procedures to inquire of management and those charged with governance whether the company is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities.

The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and obtaining revenue documentation and confirming the revenue has been correctly recognised in line with FRS102.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Benjamin Lawrance

Benjamin Lawrance (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
103 Colmore Row
Birmingham
B3 3AG

Date 21/12/22

MAN Commercial Protection Limited
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 September 2022

	<i>Notes</i>	2022 £	2021 £
TURNOVER		51,845,179	50,023,500
Cost of sales		(47,092,074)	(45,170,072)
GROSS PROFIT		4,753,105	4,853,428
Administrative expenses		(3,576,691)	(2,868,631)
Other operating income	3	-	123,867
OPERATING PROFIT		1,176,414	2,108,664
Interest receivable and similar income	6	35,558	22,550
Interest payable and similar expenses	7	(138,784)	(129,699)
PROFIT BEFORE TAXATION	2	1,073,188	2,001,515
Taxation	8	(224,683)	(400,001)
PROFIT FOR THE FINANCIAL YEAR		848,505	1,601,514
OTHER COMPREHENSIVE INCOME (net of tax)			
Revaluation of land and buildings		-	62,545
TOTAL COMPREHENSIVE INCOME		848,505	1,664,059

The operating profit for the year arises from the company's continuing operations.

The notes on pages 15 to 27 form part of these financial statements

MAN Commercial Protection Limited

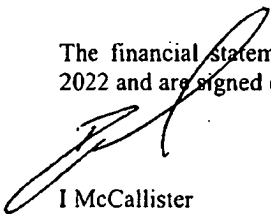
STATEMENT OF FINANCIAL POSITION

As at 30 September 2022

Company Registration Number: 4639310

	Notes	2022 £	2022 £	2021 £	2021 £
FIXED ASSETS					
Goodwill	10		-		-
Tangible assets	11		1,484,827		1,531,776
Investment properties	12		389,993		389,993
			<u>1,874,820</u>		<u>1,921,769</u>
CURRENT ASSETS					
Stocks	13	15,920		13,399	
Debtors	14	11,061,175		10,777,693	
Cash at bank and in hand		167,243		34,453	
		<u>11,244,338</u>		<u>10,825,545</u>	
CREDITORS: Amounts falling due within one year	15	(10,537,030)		(10,785,607)	
			<u>.707,308</u>		<u>39,938</u>
NET CURRENT ASSETS					
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,582,128</u>		<u>1,961,707</u>
Provision for liabilities	16		(80,099)		(86,183)
			<u>2,502,029</u>		<u>1,875,524</u>
NET ASSETS					
CAPITAL AND RESERVES					
Called up share capital	17		185		185
Revaluation reserve	17		213,905		218,122
Capital redemption reserve	17		25		25
Profit and loss account	17		2,287,914		1,657,192
			<u>2,502,029</u>		<u>1,875,524</u>
TOTAL EQUITY					

The financial statements on pages 11 to 27 were approved by the board and authorised for issue on 20th Decemb. 2022 and are signed on its behalf by:


I McCallister
Director

The notes on pages 15 to 27 form part of these financial statements

MAN Commercial Protection Limited
STATEMENT OF CHANGES IN EQUITY
For the year ended 30 September 2022

	<i>Notes</i>	Share capital £	Revaluation reserve £	Capital redemption reserve £	Profit and loss account £	Total £
Balance at 1 October 2020		185	157,792	25	1,353,463	1,511,465
Profit for the year		-	-	-	1,601,514	1,601,514
Transfers between revaluation reserve and profit and loss account		-	(2,215)	-	2,215	-
Revaluation of land and buildings		-	62,545	-	-	62,545
Total comprehensive income for the year		-	60,330	-	1,603,729	1,664,059
Transactions with owners in their capacity as owners:						
Dividends		-	-	-	(1,300,000)	(1,300,000)
Total transactions with owners in their capacity as owners		-	-	-	(1,300,000)	(1,300,000)
Balance at 30 September 2021		185	218,122	25	1,657,192	1,875,524
Profit for the year		-	-	-	848,505	848,505
Other comprehensive income, net of tax:						
Transfers between revaluation reserve and profit and loss account		-	(4,217)	-	4,217	-
Total comprehensive income for the year		-	(4,217)	-	852,722	848,505
Transactions with owners in their capacity as owners:						
Dividends	9	-	-	-	(222,000)	(222,000)
Total transactions with owners in their capacity as owners		-	-	-	(222,000)	(222,000)
Balance at 30 September 2022		185	213,905	25	2,287,914	2,502,029

The notes on pages 15 to 27 form part of these financial statements

MAN Commercial Protection Limited
STATEMENT OF CASH FLOWS
for the year ended 30 September 2022

	<i>Notes</i>	2022 £	2021 £
Operating activities			
Cash generated from operations	19	1,952,565	3,110,488
Income taxes paid		<u>(492,770)</u>	<u>(487,429)</u>
Net cash provided by operating activities		<u>1,459,795</u>	<u>2,623,059</u>
Investing activities			
Purchase of tangible fixed assets		<u>(28,155)</u>	<u>(701,025)</u>
Net cash used in investing activities		<u>(28,155)</u>	<u>(701,025)</u>
Financing activities			
Interest paid		(138,784)	(129,699)
Dividends paid		<u>(222,000)</u>	<u>(1,300,000)</u>
Net cash used in financing activities		<u>(360,784)</u>	<u>(1,429,699)</u>
Net increase in cash and cash equivalents		<u>1,070,856</u>	<u>492,335</u>
Cash and cash equivalents at beginning of year		<u>(1,763,579)</u>	<u>(2,255,914)</u>
Cash and cash equivalents at end of year		<u><u>(692,723)</u></u>	<u><u>(1,763,579)</u></u>
Relating to:			
Bank balances included in cash at bank and in hand		167,243	34,453
Overdrafts included in 'creditors: amounts falling due within one year'		<u>(859,966)</u>	<u>(1,798,032)</u>
		<u><u>(692,723)</u></u>	<u><u>(1,763,579)</u></u>

The notes on pages 15 to 27 form part of these financial statements

MAN Commercial Protection Limited

ACCOUNTING POLICIES

for the year ended 30 September 2022

GENERAL INFORMATION

MAN Commercial Protection Limited (“the Company”) is a private company, limited by shares, domiciled and incorporated in England and Wales.

The address of the Company’s registered office and principal place of business is 5 Highlands Court, Cranmore Avenue, Solihull, West Midlands, B90 4LE.

The Company’s principal activities are set out in the Strategic Report.

BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention, modified to include the revaluation of long leasehold properties and to include investment properties at fair value.

The financial statements are presented in sterling which is also the functional currency of the Company.

Monetary amounts in these financial statements are rounded to the nearest whole £1.

TURNOVER

Turnover represents the fair value, net of value added tax and discounts, of goods and work carried out in respect of services provided to customers. Revenue is recognised at the point goods or services are provided to the customer. All turnover is attributable to the one principal activity of the Company and derives from the United Kingdom.

OTHER INCOME

Interest income

Interest income is accrued on a time apportioned basis, by reference to the principal outstanding on the directors’ loan accounts at the effective interest rate.

TANGIBLE FIXED ASSETS

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold properties	- 2% - 20% straight line
Plant and machinery	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

REVALUATION OF PROPERTIES

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluation gains recognised in equity, such gains and loss are recognised in profit or loss.

MAN Commercial Protection Limited

ACCOUNTING POLICIES (continued)

for the year ended 30 September 2022

INVESTMENT PROPERTIES

Investment properties are initially measured at cost and subsequently measured at fair value whilst a reliable measure of fair value is available without undue cost or effort. Changes in fair value are recognised in profit or loss.

STOCKS

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the weighted average cost basis.

At each reporting date, the Company assesses whether stocks are impaired or if an impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss.

Reversals of impairment losses are also recognised in profit or loss.

TAXATION

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

For non-depreciable assets measured using the revaluation model and investment properties measured at fair value (except investment property with a limited useful life held by the Company to consume substantially all of its economic benefits), deferred tax is measured using the tax rates and allowances that apply to the sale of the asset or property.

Current and deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

RETIREMENT BENEFITS

The Company operates a defined contribution scheme the amount charged to the Statement of Comprehensive Income in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Balance Sheet.

LEASED ASSETS AND OBLIGATIONS

All leases are "operating leases" and the annual rentals are charged to profit and loss on a straight line basis over the lease term.

MAN Commercial Protection Limited

ACCOUNTING POLICIES (continued)

for the year ended 30 September 2022

EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or are capitalised as an intangible fixed asset or a tangible fixed asset.

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

PURCHASED GOODWILL

Goodwill representing the excess of the consideration for an acquired business compared with the fair value of net assets acquired is capitalised and written off evenly over 10 years as in the opinion of the directors this represents the period over which the goodwill is effective. The useful economic lives are reviewed at the end of each reporting date.

IMPAIRMENTS

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Company estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairments. Impairment losses are recognised in profit and loss.

GOING CONCERN

At the time of approving the financial statements, the directors have a 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.

Following the ongoing uncertainty in the economy, management has reassessed the going concern assumption and confirms that it remains appropriate based on the level of headroom in its invoice discounting facility which enables it to meet its liabilities as they fall due.

The Directors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Company has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Company's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

FINANCIAL INSTRUMENTS

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Trade and other debtors

Trade and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

MAN Commercial Protection Limited

ACCOUNTING POLICIES (continued)

for the year ended 30 September 2022

FINANCIAL INSTRUMENTS (continued)

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Financial liabilities and equity

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

Equity instruments

Financial instruments classified as equity instruments are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Trade and other creditors

Trade and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Bank overdrafts

Bank overdrafts are presented within creditors: amounts falling due within one year.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

MAN Commercial Protection Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2022

1 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Tangible fixed assets and investment property valuation

In determining the valuation for property assets not externally valued by an independent valuation specialist, the company is required to apply judgements over the effects of the current rental yields coupled with market conditions and the quality of the specific property. Benchmarks from other properties within the local area or similar assets on the market will also be reviewed in determining a reasonable fair value.'

2 PROFIT BEFORE TAXATION

	2022	2021
	£	£
Profit before taxation is stated		
after charging:		
Depreciation of tangible fixed assets		
- owned assets	75,104	60,414
Operating lease rentals – plant and machinery	306,158	230,147
	<u> </u>	<u> </u>

Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:

	2022	2021
	£	£
Audit services – statutory audit of the company	27,950	25,000
<i>Other services:</i>		
Taxation compliance services	6,200	3,000
	<u> </u>	<u> </u>
	<u>34,150</u>	<u>28,000</u>

3 OTHER OPERATING INCOME

Included in other operating income is £Nil (2021: £123,867) which was received during the year in relation to the Job Retention Scheme.

MAN Commercial Protection Limited
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September 2022

4	DIRECTORS' REMUNERATION AND KEY MANAGEMENT PERSONNEL	2022 £	2021 £
	Amounts paid to the directors	269,806	245,600

The directors are not accruing retirement benefits.

Director's emoluments disclosed above include the following payments:

	Highest paid director	
	2022 £	2021 £
Remuneration	169,354	150,883
Company contributions to money purchase pension schemes	-	-
	<u>169,354</u>	<u>150,883</u>

The total remuneration of the directors and key management personnel (including employer's national insurance) amounted to £582,288 (2021: £541,542).

5	EMPLOYEES	2022 £	2021 £
	Wages and salaries	30,623,957	31,528,301
	Social security costs	2,918,069	2,757,855
	Defined contribution pension costs	490,630	527,650
		<u>34,032,656</u>	<u>34,813,806</u>

	2022 No.	2021 No.
Operational employees	1,210	1,279
Management and administrative staff	33	31
	<u>1,243</u>	<u>1,310</u>

6	INTEREST RECEIVABLE AND SIMILAR INCOME	2022 £	2021 £
	Interest receivable on directors' loan accounts	35,558	22,550

MAN Commercial Protection Limited
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September 2022

7	INTEREST PAYABLE AND SIMILAR EXPENSES	2022 £	2021 £
	Interest on other loans	138,784	129,699
		<u> </u>	<u> </u>
8	TAXATION	2022 £	2021 £
	Current tax:		
	UK corporation tax charge on profit for the year	225,228	399,073
	Prior year adjustment	5,539	-
		<u> </u>	<u> </u>
	Total current tax	230,767	399,073
		<u> </u>	<u> </u>
	Deferred tax:		
	Origination and reversal of timing differences	1,204	928
	Prior year adjustment	(7,288)	-
		<u> </u>	<u> </u>
	Total deferred tax	(6,084)	928
		<u> </u>	<u> </u>
	Total tax on profit	224,683	400,001
		<u> </u>	<u> </u>
		<u> </u>	<u> </u>
	The tax assessed for the year differs from the standard rate of corporation tax in the UK 19% (2021: 19%). The differences are explained below:		
		2022 £	2021 £
	Profit before tax	1,073,188	2,001,515
		<u> </u>	<u> </u>
	Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021: 19%)	203,906	380,288
	Effects of:		
	Expenses not deductible for tax purposes	18,322	10,767
	Difference between depreciation and capital allowances	3,915	8,946
	Adjustment in respect of previous periods	(1,749)	-
	Remeasurement for changes in tax rates	289	-
		<u> </u>	<u> </u>
	Total tax charge	224,683	400,001
		<u> </u>	<u> </u>
		<u> </u>	<u> </u>
9	DIVIDENDS	2022 £	2021 £
	Interim paid	222,000	1,300,000
		<u> </u>	<u> </u>

MAN Commercial Protection Limited
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September 2022

10	INTANGIBLE FIXED ASSETS		Goodwill £		
	Cost:				
	1 October 2021 and 30 September 2022		15,000		
	Amounts written off:				
	1 October 2021 and 30 September 2022		15,000		
	Net book value:				
	30 September 2021 and 30 September 2022		-		
<hr/>					
11	TANGIBLE FIXED ASSETS	<i>Long leasehold properties</i> £	<i>Plant and machinery</i> £	<i>Motor vehicles</i> £	<i>Total</i> £
	Cost or valuation:				
	At 1 October 2021	1,375,920	433,269	2,853	1,812,042
	Additions	-	28,155	-	28,155
		<hr/>	<hr/>	<hr/>	<hr/>
	At 30 September 2022	1,375,920	461,424	2,853	1,840,197
	Depreciation:				
	At 1 October 2021	18,359	259,310	2,597	280,266
	Charge for the year	29,054	45,986	64	75,104
		<hr/>	<hr/>	<hr/>	<hr/>
	At 30 September 2022	47,413	305,296	2,661	355,370
	Net book value:				
	At 30 September 2022	1,328,507	156,128	192	1,484,827
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	At 30 September 2021	1,357,561	173,959	256	1,531,776
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Long leasehold property with a carrying amount of £1,328,507 was revalued as at 9 February 2021 by Centrick, Chartered Surveyors, on an existing use open market value basis, in accordance with the Guidance Notes of the Royal Institution of Chartered Surveyors. Centrick are not connected with the Company. The valuation was based on recent market transactions on an arm's length basis for similar properties.

MAN Commercial Protection Limited
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September 2022

11 TANGIBLE FIXED ASSETS (CONTINUED)

If land and buildings were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2022 £	2021 £
Cost	1,241,826	1,241,826
Accumulated depreciation	(197,477)	(172,640)
	<hr/>	<hr/>
Carrying amount	1,044,349	1,069,186
	<hr/> <hr/>	<hr/> <hr/>

12 INVESTMENT PROPERTIES

	2022 £	2021 £
Fair value: At 1 October 2021	389,993	389,993
Additions	-	-
	<hr/>	<hr/>
At 30 September 2022	389,993	389,993
	<hr/> <hr/>	<hr/> <hr/>

The investment properties have been valued at the balance sheet date by the directors on an existing use open market value basis. The valuation was arrived at by reference to market evidence of transaction prices for similar properties.

The historical cost of investment properties at the balance sheet date is £389,993 (2021: £389,993).

13 STOCKS

	2022 £	2021 £
Stocks	15,920	13,399
	<hr/> <hr/>	<hr/> <hr/>

14 DEBTORS

	2022 £	2021 £
Trade debtors	8,497,901	9,094,877
Other debtors	1,974,540	1,311,062
Corporation tax recoverable	588,734	371,754
	<hr/>	<hr/>
	11,061,175	10,777,693
	<hr/> <hr/>	<hr/> <hr/>

MAN Commercial Protection Limited
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September 2022

15 CREDITORS: Amounts falling due within one year	2022 £	2021 £
Bank overdraft (secured)	859,966	1,798,032
Trade creditors	4,882,112	3,824,794
Corporation tax	268,499	313,522
Other taxes and social security	2,463,587	2,606,116
Other creditors	2,062,866	2,243,143
	<u>10,537,030</u>	<u>10,785,607</u>

Included in bank loan and overdraft is an invoice discounting facility of £859,966 (2021: £1,798,032) which is secured on the book debts of the Company.

16 DEFERRED TAX	2022 £	2021 £
Deferred tax liability:		
At beginning of year	(86,183)	(49,672)
Credited/(debited) to profit and loss in year	6,084	(928)
Charged in other comprehensive income	-	(35,583)
	<u>(80,099)</u>	<u>(86,183)</u>
	2022 £	2021 £
Provision for deferred tax liability has been made as follows:		
Accelerated capital allowances	(9,516)	(15,600)
Valuation of land and buildings	(70,583)	(70,583)
	<u>(80,099)</u>	<u>(86,183)</u>

The deferred tax liability of £80,099 (2021: £86,183) is expected to reverse over the life of the related assets.

MAN Commercial Protection Limited
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September 2022

17 SHARE CAPITAL AND RESERVES

SHARE CAPITAL: Allotted, issued and fully paid:	Ordinary 'A' Shares Number	Ordinary 'B' Shares Number	Total Number
At 1 October 2021 and 30 September 2022	105	80	185

The Ordinary A shares of £1.00 each are non-redeemable and rank equally in terms of voting rights, one vote for each share, rights to participate in all approved dividend distributions for that class of share, and rights to participate in any capital distribution. The Ordinary B shares of £1.00 each do not carry any voting rights and are non-redeemable and rank equally in terms of rights to participate in all approved dividend distributions for that class of share, and rights to participate in any capital distribution on winding up only in respect of capital paid up and with no other participation in the assets of the Company.

RESERVES

Reserves of the Company represent the following:

Profit and loss account

Cumulative profit and loss net of distributions to owners.

Revaluation reserve

The cumulative revaluation gains and losses in respect of land and buildings, except revaluation gains and losses recognised in the profit and loss account.

Capital redemption reserve

Represents the par value of the redeemed company shares.

18 COMMITMENTS UNDER OPERATING LEASES

At 30 September, the Company had total future minimum lease payments under non-cancellable operating leases as follows:

	Plant and machinery	
	2022	2021
	£	£
Amounts due:		
Within 1 year	220,485	115,668
Within 2 to 5 years	213,622	99,755
	434,107	215,423

MAN Commercial Protection Limited
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September 2022

19	RECONCILIATION OF PROFIT AFTER TAX TO NET CASH GENERATED FROM OPERATIONS	2022 £	2021 £
	Profit after tax	848,505	1,601,514
	Adjustments for:		
	Depreciation of tangible fixed assets	75,104	60,414
	Taxation	224,683	400,001
	Interest payable	138,784	129,699
	Interest receivable	(35,558)	(22,550)
		<hr/>	<hr/>
	Operating cash flows before movements in working capital	1,251,518	2,169,078
		<hr/> <hr/>	<hr/> <hr/>
	(Increase)/decrease in stocks	(2,521)	1,166
	(Increase)/decrease in debtors	(30,944)	540,289
	Increase in creditors	734,512	399,955
		<hr/>	<hr/>
	Net cash generated from operations	1,952,565	3,110,488
		<hr/> <hr/>	<hr/> <hr/>

20 ANALYSIS OF CHANGES IN NET DEBT

	At 1 October 2021 £	Cash flow £	Other non-cash changes £	At 30 September 2022 £
Cash in hand, and at bank	34,453	132,790	-	167,243
	<hr/>	<hr/>	<hr/>	<hr/>
	34,453	132,790	-	167,243
	<hr/>	<hr/>	<hr/>	<hr/>
Invoice discounting	(1,798,032)	938,066	-	(859,966)
	<hr/>	<hr/>	<hr/>	<hr/>
Debt due within one year	(1,798,032)	938,066	-	(859,966)
	<hr/>	<hr/>	<hr/>	<hr/>
Net debt	(1,763,579)	1,070,856	-	(692,723)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

21 RETIREMENT BENEFITS

The Company operates a defined contribution pension scheme for all qualifying employees in the United Kingdom. The assets of the scheme are held separately from those of the Company in an independently administered fund. The contributions payable by the Company charged to profit or loss amounted to £490,630 (2021: £527,650). Contributions totalling £95,446 (2021: £103,636) were payable to the fund at the year end and are included in creditors.

MAN Commercial Protection Limited
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September 2022

22 RELATED PARTY TRANSACTIONS AND ULTIMATE CONTROLLING PARTY

During the year, the Company made advances to the directors of £663,416 (2021: £284,458). Included within debtors is £1,813,471 (2021: £1,150,055) due from the directors. The maximum balance outstanding during the year was £1,813,471 (2021: £1,150,055). Interest accrues on the balance at a rate of 2% and the charge for the year amounted to £35,558 (2021: £22,550). There is no set repayment date. During the year, dividends of £200,857 (2021: £1,176,190) were payable by the company to the directors.

The ultimate controlling party is Mr I McCallister.

23 SUBSEQUENT EVENTS

Subsequent to the year end, the Company acquired a third head office building for consideration of £750,000.