

Company registration number: 05016157

Alpha Response (2004) Limited
Trading as Red Support Services

Financial statements

31 December 2018



Alpha Response (2004) Limited

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Alpha Response (2004) Limited

Directors and other information

Directors	Andrea Wilson Vickie Rann
Company number	05016157
Registered office	245 Main Road Sidcup Kent DA146QS
Auditor	Pritchard Fellows & Co Avery House 8 Avery Hill Road New Eltham SE9 2BD
Bankers	Barclays Bank Plc

Alpha Response (2004) Limited

Strategic report Year ended 31 December 2018

REVIEW OF BUSINESS AND KEY PERFORMANCE INDICATORS

The principal activity of the company continued to be that of cleaning contractors and of providing security services.

The results for the year are as shown in the attached financial statements. The company has had a satisfactory year, making significant progress towards its strategic aims. Pre-tax profits was £1,205,679 (2017: £840,287) and the balance sheet shows a small drop with net assets of £2,032,993 (2017: £2,180,950).

The company measures its success through monitoring key performance indicators, these include: turnover growth, gross profit margin, and debtors' days.

Key performance indicators were as follows:

The business operates nationally and the growth in the portfolio has been across all geographical regions and business types demonstrating the high quality of the service the business is able to deliver to all market segments.

The strategy of the company is to improve the future results and expand the services provided in order to be in a better competitive position. Market conditions have deteriorated since the EU referendum but the directors believe there will be sustained growth for the foreseeable future.

	2018	2017
Turnover growth	17.0%	20.0%
Gross margin	21.0%	19.8%
Debtors days	73	85

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the company arise mainly from future potential business entities either locally or from abroad entering the cleaning and security markets. To manage the risk the company will endeavour to secure new businesses while strengthening their relationship with existing customers.

The directors have considered and will continue to monitor the economic and financial effect resulting from the EU referendum.

HEALTH AND SAFETY

Health and safety are a major area of concern for our employees, clients and members of the public. The company has dedicated health and safety personnel who reviews and monitors this area of risk.

KEY CUSTOMERS

Whilst the company has a variety of major contracts, none are considered material in respect of revenue. However, since clients are key to the continuing growth, there is a strong management structure in place, incorporating key account managers for major contracts.

GOING CONCERN

The company has a sound financial footing. The directors have a positive expectation that the company has adequate resources to continue in operational existence and thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Alpha Response (2004) Limited

Strategic report (continued)
Year ended 31 December 2018

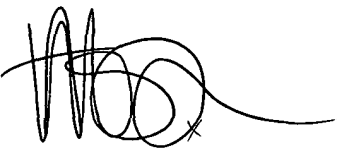
STAFF POLICIES

The company operates an equal opportunity policy regarding employees or potential employees. The company provides employees with information on matters of concern to them as well as welcome their feedback about their work place.

DISABLED EMPLOYEES

We consider all disabled person applying for employment on the basis of their aptitudes and abilities. Our employment policy provides that existing employees who become disabled will have the opportunity to retrain where necessary and to continue in employment.

This report was approved by the board of directors on 25 September 2019 and signed on behalf of the board by:

X  X
Andrea Wilson
Director

Alpha Response (2004) Limited

Directors report Year ended 31 December 2018

The directors present their report and the financial statements of the company for the year ended 31 December 2018.

Directors

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

Andrea Wilson
Vickie Rann

Dividends

Particulars of recommended dividends are detailed in note 11 to the financial statements.

Employment of disabled persons

It is the company policy to give full and fair consideration to applications for suitable employment by disabled persons having regard to their individual aptitudes and abilities.

Employee involvement

During the year, the policy of providing employees with information about the company has been continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the company's performance.

Disclosure of information in the strategic report.

The company has chosen to set out in the Strategic report information regarding its future development.

Directors responsibilities statement

The directors are responsible for preparing the strategic report, directors report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Alpha Response (2004) Limited

Directors report (continued)
Year ended 31 December 2018

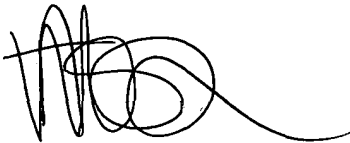
Auditor

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

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

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 25 September 2019 and signed on behalf of the board by:

A handwritten signature in black ink, appearing to be 'Andrea Wilson', with a long, sweeping horizontal line extending to the right.

Andrea Wilson
Director

Alpha Response (2004) Limited

Independent auditor's report to the members of Alpha Response (2004) Limited Year ended 31 December 2018

Opinion

We have audited the financial statements of Alpha Response (2004) Limited (the 'company') for the year ended 31 December 2018 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Alpha Response (2004) Limited

Independent auditor's report to the members of Alpha Response (2004) Limited (continued) Year ended 31 December 2018

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 has 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 where 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 the 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 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. we also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Alpha Response (2004) Limited

**Independent auditor's report to the members of
Alpha Response (2004) Limited (continued)
Year ended 31 December 2018**

- Conclude on the appropriateness of the directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 auditors 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.



Sunil Phakkey (Senior Statutory Auditor)

For and on behalf of
Pritchard Fellows & Co
Chartered Certified Accountants and Statutory Auditors
Avery House
8 Avery Hill Road
New Eltham
SE9 2BD

25 September 2019

Alpha Response (2004) Limited

**Statement of income and retained earnings
Year ended 31 December 2018**

	Note	2018 £	2017 £
Turnover	4	15,304,185	13,091,426
Cost of sales		(12,101,437)	(10,494,550)
Gross profit		<u>3,202,748</u>	<u>2,596,876</u>
Administrative expenses		(1,959,033)	(1,759,103)
Operating profit	5	<u>1,243,715</u>	<u>837,773</u>
Other interest receivable and similar income	8	2,157	2,514
Interest payable and similar expenses	9	(40,193)	-
Profit before taxation		<u>1,205,679</u>	<u>840,287</u>
Tax on profit	10	(256,147)	(176,344)
Profit for the financial year and total comprehensive income		<u><u>949,532</u></u>	<u><u>663,943</u></u>
Dividends declared and paid or payable during the year ¹¹		(1,168,000)	(348,000)
Retained earnings at the start of the year		<u>780,925</u>	<u>464,982</u>
Retained earnings at the end of the year		<u><u>562,457</u></u>	<u><u>780,925</u></u>

All the activities of the company are from continuing operations.

The notes on pages 13 to 23 form part of these financial statements.

Alpha Response (2004) Limited

**Statement of financial position
31 December 2018**

	Note	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	12	203,511		211,510	
Investments	13	904,500		904,500	
			1,108,011		1,116,010
Current assets					
Stocks	14	14,529		14,529	
Debtors	15	3,234,692		3,234,546	
Cash at bank and in hand		2,263,896		3,711,767	
		5,513,117		6,960,842	
Creditors: amounts falling due within one year	16	(3,480,124)		(4,779,892)	
Net current assets			2,032,993		2,180,950
Total assets less current liabilities			3,141,004		3,296,960
Creditors: amounts falling due after more than one year	17	(2,545,736)		(2,505,543)	
Provisions for liabilities	18	(22,319)		-	
Net assets			572,949		791,417
Capital and reserves					
Called up share capital	20	100		100	
Share premium account	21	10,392		10,392	
Profit and loss account	21	562,457		780,925	
Shareholders funds			572,949		791,417

The notes on pages 13 to 23 form part of these financial statements.

Alpha Response (2004) Limited

Statement of financial position (continued)
31 December 2018

These financial statements were approved by the board of directors and authorised for issue on 25 September 2019, and are signed on behalf of the board by:

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke at the end. There are small 'x' marks at the beginning and end of the signature.

Andrea Wilson
Director

Company registration number: 05016157

The notes on pages 13 to 23 form part of these financial statements.

Alpha Response (2004) Limited

**Statement of cash flows
Year ended 31 December 2018**

	2018	2017
	£	£
Cash flows from operating activities		
Profit for the financial year	949,532	663,943
<i>Adjustments for:</i>		
Depreciation of tangible assets	90,613	106,676
Other interest receivable and similar income	(2,157)	(2,514)
Interest payable and similar expenses	40,193	-
Gain/(loss) on disposal of tangible assets	-	2,975
Tax on profit	256,147	176,344
Accrued expenses/(income)	13,455	(8,259)
<i>Changes in:</i>		
Trade and other debtors	(146)	(1,147,874)
Trade and other creditors	(625,635)	(1,830,880)
Cash generated from operations	<u>722,002</u>	<u>(2,039,589)</u>
Interest paid	(40,193)	-
Interest received	2,157	2,514
Tax paid	<u>(193,483)</u>	<u>(109,249)</u>
Net cash from/(used in) operating activities	<u><u>490,483</u></u>	<u><u>(2,146,324)</u></u>
Cash flows from investing activities		
Purchase of tangible assets	(82,614)	(70,576)
Proceeds from sale of tangible assets	-	5,451
Net cash used in investing activities	<u><u>(82,614)</u></u>	<u><u>(65,125)</u></u>
Cash flows from financing activities		
Proceeds from borrowings	3,137	(1,506,373)
Proceeds from loans from group undertakings	(690,877)	4,713,826
Equity dividends paid	<u>(1,168,000)</u>	<u>(348,000)</u>
Net cash (used in)/from financing activities	<u><u>(1,855,740)</u></u>	<u><u>2,859,453</u></u>
Net increase/(decrease) in cash and cash equivalents	<u><u>(1,447,871)</u></u>	<u><u>648,004</u></u>
Cash and cash equivalents at beginning of year	<u><u>3,711,767</u></u>	<u><u>3,063,763</u></u>
Cash and cash equivalents at end of year	<u><u>2,263,896</u></u>	<u><u>3,711,767</u></u>

Alpha Response (2004) Limited

Notes to the financial statements Year ended 31 December 2018

1. General information

The company is a private company limited by shares, registered in United Kingdom. The address of the registered office is Alpha Response (2004) Limited, 245 Main Road, Sidcup, Kent, DA146QS. The principal activity of the company is the provision of cleaning and security services.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

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

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

Consolidation

The company has taken advantage of the exemption from preparing consolidated financial statements contained in Section 400 of the Companies Act 2006 on the basis that it is a subsidiary undertaking and its immediate parent undertaking is established under the law of an EEA State.

Judgements and key sources of estimation uncertainty

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

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of the goods; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Alpha Response (2004) Limited

Notes to the financial statements (continued) Year ended 31 December 2018

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

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

Tangible assets

Tangible assets are initially recorded at cost, and is subsequently stated at cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation

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

Plant and machinery	- 33.33% straight line
Fittings fixtures and equipment	- 25% reducing balance
Motor vehicles	- 25% reducing balance

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

Fixed asset investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Stocks

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

Alpha Response (2004) Limited

Notes to the financial statements (continued)
Year ended 31 December 2018

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

Alpha Response (2004) Limited

Notes to the financial statements (continued) Year ended 31 December 2018

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 to all of its financial instruments. Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors (including accrued income) and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors (including accruals), loans from fellow group companies and invoice discounting, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

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

Equity instruments

Equity instruments issued by the company are recorded at the fair value of the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Alpha Response (2004) Limited

Notes to the financial statements (continued) Year ended 31 December 2018

Defined contribution plans

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

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

Cash & cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

4. Turnover

Turnover arises from:

	2018	2017
	£	£
Rendering of services	15,304,185	13,091,426

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Operating profit

Operating profit is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation of tangible assets	90,613	106,676
(Gain)/loss on disposal of tangible assets	-	2,975
Cost of stocks recognised as an expense	910,575	974,662
Impairment of trade debtors	16,979	-
Fees payable for the audit of the financial statements	5,000	5,000

Alpha Response (2004) Limited

Notes to the financial statements (continued)
Year ended 31 December 2018

6. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2018	2017
Average No. of Employees	<u>789</u>	<u>740</u>

The aggregate payroll costs incurred during the year were:

	2018	2017
	£	£
Wages and salaries	11,087,487	9,524,292
Social security costs	793,521	598,015
Other pension costs	<u>96,957</u>	<u>45,742</u>
	<u><u>11,977,965</u></u>	<u><u>10,168,049</u></u>

7. Directors remuneration

The directors aggregate remuneration in respect of qualifying services was:

	2018	2017
	£	£
Remuneration	<u>24,999</u>	<u>25,055</u>

8. Other interest receivable and similar income

	2018	2017
	£	£
Bank deposits	<u>2,157</u>	<u>2,514</u>

9. Interest payable and similar expenses

	2018	2017
	£	£
Other interest payable and similar expenses	<u>40,193</u>	<u>-</u>

Alpha Response (2004) Limited

Notes to the financial statements (continued)
Year ended 31 December 2018

10. Tax on profit

Major components of tax expense

	2018	2017
	£	£
Current tax:		
UK current tax expense	233,828	176,344
	<u> </u>	<u> </u>
Deferred tax:		
Origination and reversal of timing differences	22,319	-
	<u> </u>	<u> </u>
Tax on profit	<u>256,147</u>	<u>176,344</u>

Reconciliation of tax expense

The tax assessed on the profit for the year standard rate of corporation tax in the UK of 19.00% (2017: 19.00%).

	2018	2017
	£	£
Profit before taxation	1,205,679	840,287
	<u> </u>	<u> </u>
Profit multiplied by rate of tax	229,079	159,655
Effect of expenses not deductible for tax purposes	4,352	11,411
Effect of capital allowances and depreciation	22,716	3,020
Effect of different UK tax rates on some earnings	-	2,258
	<u> </u>	<u> </u>
Tax on profit	<u>256,147</u>	<u>176,344</u>

11. Dividends

Equity dividends

	2018	2017
	£	£
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	1,168,000	348,000
	<u> </u>	<u> </u>

Alpha Response (2004) Limited

Notes to the financial statements (continued)
Year ended 31 December 2018

12. Tangible assets

	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2018	635,629	10,051	232,818	878,498
Additions	69,619	-	12,995	82,614
At 31 December 2018	<u>705,248</u>	<u>10,051</u>	<u>245,813</u>	<u>961,112</u>
Depreciation				
At 1 January 2018	551,784	8,873	106,331	666,988
Charge for the year	58,155	295	32,163	90,613
At 31 December 2018	<u>609,939</u>	<u>9,168</u>	<u>138,494</u>	<u>757,601</u>
Carrying amount				
At 31 December 2018	<u>95,309</u>	<u>883</u>	<u>107,319</u>	<u>203,511</u>
At 31 December 2017	<u>83,845</u>	<u>1,178</u>	<u>126,487</u>	<u>211,510</u>

13. Investments

	Shares in group undertakings	Total
	£	£
Cost		
At 1 January 2018 and 31 December 2018	<u>904,500</u>	<u>904,500</u>
Impairment		
At 1 January 2018 and 31 December 2018	<u>-</u>	<u>-</u>
Carrying amount		
At 31 December 2018	<u>904,500</u>	<u>904,500</u>
At 31 December 2017	<u>904,500</u>	<u>904,500</u>

Alpha Response (2004) Limited

Notes to the financial statements (continued)
Year ended 31 December 2018

Investments in group undertakings

	Registered office	Class of share	Percentage of shares held
Subsidiary undertakings			
Green Support Services Limited	245 Main Road, Sidcup, Kent, United Kingdom, DA14 6QS	Ordinary	100

14. Stocks

	2018	2017
	£	£
Finished goods	14,529	14,529

15. Debtors

	2018	2017
	£	£
Trade debtors	3,060,700	3,044,652
Amounts owed by group undertakings	24,596	24,596
Prepayments and accrued income	140,431	144,975
Other debtors	8,965	20,323
	<u>3,234,692</u>	<u>3,234,546</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

16. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	157,985	176,390
Amounts owed to group undertakings	1,477,213	2,208,283
Accruals and deferred income	50,046	36,591
Corporation tax	148,328	107,983
Social security and other taxes	777,961	815,568
Director loan accounts	67,364	64,227
Other creditors	801,227	1,370,850
	<u>3,480,124</u>	<u>4,779,892</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

Alpha Response (2004) Limited

Notes to the financial statements (continued) Year ended 31 December 2018

17. Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Amounts owed to group undertakings	2,545,736	2,505,543

Amounts owed to group undertakings are unsecured and interest is payable at 1% above the Bank of England base rate.

18. Provisions

	Deferred tax (note)
	£
At 1 January 2018	-
Additions	22,319
At 31 December 2018	22,319

19. Employee benefits

The amount recognised in profit or loss in relation to defined contribution plans was £96,957 (2017: £45,742).

20. Called up share capital Issued, called up and fully paid

	2018		2017	
	No	£	No	£
Ordinary shares shares of £ 1.00 each	30	30	30	30
Ordinary A shares shares of £ 1.00 each	51	51	51	51
Ordinary B shares shares of £ 1.00 each	7	7	7	7
Ordinary C shares shares of £ 1.00 each	5	5	5	5
Ordinary D shares shares of £ 1.00 each	7	7	7	7
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

21. Reserves

Share premium account:

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Profit and loss account:

This reserve records retained earnings and accumulated losses.

Alpha Response (2004) Limited

Notes to the financial statements (continued) Year ended 31 December 2018

22. Directors advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2018			
	Balance brought forward	Advances /(credits) to the directors	Amounts repaid	Balance o/standing
	£	£	£	£
Andrea Wilson	(28,503)	(133,011)	131,307	(30,207)
Vickie Rann	(35,724)	(132,519)	131,086	(37,157)
	<u>(64,227)</u>	<u>(265,530)</u>	<u>262,393</u>	<u>(67,364)</u>
	2017			
	Balance brought forward	Advances /(credits) to the directors	Amounts repaid	Balance o/standing
	£	£	£	£
Andrea Wilson	(37,366)	(117,510)	126,373	(28,503)
Vickie Rann	(43,285)	(118,580)	126,141	(35,724)
	<u>(80,651)</u>	<u>(236,090)</u>	<u>252,514</u>	<u>(64,227)</u>

The directors loan is interest free and payable on demand.

23. Related party transactions

During the year dividends of £260,000 (2017:£230,000) were paid to directors who are shareholders in the company.

24. Controlling party

The immediate parent company is Florin Industrial Services Holdings Limited with a 51% (2017: 51%) shareholding in Alpha Response (2004) Limited. The ultimate parent company is Meredith Corporation Limited with a 60% (2017:60%) shareholding in Florin Industrial Services Holdings Limited. The largest and smallest group of undertakings for which group financial statements have been drawn up and which include the results of the company is Florin Industrial Services Holdings Limited. Copies of the financial statements are available from the Group registered address (245 Main Road, Sidcup, Kent, United Kingdom, DA14 6QS).