Company registration number 02476859

Orbis Protect Limited

Financial Statements

for the year ended 31 March 2019

Orbis Protect Limited
Financial statements for the year ended 31 March 2019

Contents

Company information

Directors
G A Other
B W Howard
R I Freer
S J Crabb

Secretary
S J Crabb

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London
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Bankers
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EC2A 1AG

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Registered number
02476859

Strategic Report

Principal activities
Orbis Protect Limited is a specialist in property and people protection. The company provides a complete empty property management solution for commercial and residential properties, alarm monitoring and lone worker protection through our Alarm Receiving Centre, and specialist cleaning and infection control services to customers across the private and public sectors.

Key performance indicators
The company measures performance against agreed annual budgets, forecasts made during the year and prior year information. This includes both financial and non financial information. Regular review meetings are held to discuss variances and to agree, when applicable, actions to improve results. Growth in sales and EBITDA are important measures for the success of the business.

	2019 £000	**2018** £000	**2017** £000
Turnover increase	10.9%	6.6%	2.8%
Gross Margin	39.9%	40.5%	42.3%
EBITDA (before exceptional items)	4,220	3,347	2,729

Acquisition
On 28 August 2018, Orbis Protect Limited was sold by its parent Amistha Bidco Limited to existing management and NorthEdge Capital. NorthEdge Capital through their shareholding on acquisition became the ultimate controlling party of Orbis Protect Limited on 28 August 2018.

Financing
The company received two £4.5 million term loans in May 2018 provided by CYB. One term loan is repayable in equal quarterly instalments over the six year life of the loan at 3.45% above LIBOR. The second loan will be repaid in full on its sixth anniversary with interest being 3.75% above LIBOR. Interest on both loans will be payable quarterly.

The company repaid its existing receivables finance facility in May 2018 and replaced it immediately with a new £2.5m facility with a minimum term of 12 months at an interest rate of 2.25% over LIBOR.

The facilities are secured on the assets of the company.

Following the management buyout of Orbis Protect Limited on 28th August 2018 described above, the banking arrangements have been novated across with the trading company. On the 1st October 2018 an additional £1m bullet loan has been secured through CYB.

The outstanding intra group balances with previous group companies were repaid in full, including accrued interest, in May 2018.

Windward Insurance (Sitex Cell)
In September 2018, the company novated in full its liabilities under the Sitex Cell in Windward Insurance PCC Limited to R&Q, a company that specialises in run off insurance.

Strategic Report

Principal risks and uncertainties
The company's operations expose it to a variety of financial and interest rate risks including credit risk, liquidity risk and cash flow risk. Overall responsibility for the management of these risks is vested in the board of directors. The company has in place policies and procedures that seek to minimise the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs. The policies set out by the board of directors are implemented by a formal management committee and the company's finance department.

Credit risk
Credit risk is defined as exposure to loss if another party fails to perform its financial obligations to the company. The company's client base is predominantly government bodies and the historical incidence of default is low. The company has implemented policies that require appropriate credit checks on potential customers before sales are made.

Liquidity and cash flow risk
Liquidity risk is the risk that the company, though solvent, either does not have sufficient financial resources available to enable it to meet its obligations as they fall due or can secure them only at excessive costs.

Liquidity risk arises as a consequence of the uncertainty surrounding the value and timing of cash flows. The company manages liquidity to ensure it maintains sufficient liquid assets. Debtors and creditors are actively monitored by the company's finance department.

Business performance and future outlook
The company performed well in the year with significant improvements in turnover, gross profit and EBITDA. The key financial targets were delivered in line with the Board's expectations. Profitable growth is forecast to continue in the next financial year.

Site security turnover, which is the largest income stream and includes steel and alarm hire, as well as man guarding, improved by 7.8% in the year. Growth is forecast to continue in the next financial year as the company continues to develop new product and service streams which will utilise improved technology and the company's monitoring capabilities to meet the changing demands of our customers.

Property services, including reactive clearance and cleaning work grew by 16.9%. This income stream is forecast to continue to grow as the company improves efficiency and strives to deliver industry leading service delivery.

Monitoring services, which includes the provision of lone worker solutions, grew by 8.3% in the year. Further growth is anticipated in this income stream in the coming year as the business invests in its new products and services, and its IT infrastructure.

Gross margin fell slightly during the year. This was predominantly due to a change in the service mix compared to the prior year, with more delivery of labour intensive work. Gross margin on self delivered work remained broadly in line with prior years.

Strategic Report

The Group has organised itself to have a narrow and effective leadership structure that is focussed on the daily activities that make a real difference to service delivery and operational efficiency. Regular forecasting cycles enables management to judge progress towards these goals and ensure problems are fixed closer to source than previously.

The Group continues to focus on the development of new technology-led products and services to meet the evolving security and protection needs of its customers. Effective delivery of a wider range of products and services should ensure that the Group minimises trading risks and maximises opportunities available to us in both the public and private sectors.

The net assets of the company decreased from £9,761,000 at 31 March 2018 to £6,431,000 at 31 March 2019. This was a result of obtaining debt leading up to the acquisition referred to in the Directors' Report, and paying a dividend to the previous shareholders. This has not affected the group's ability to continue generating cash for its operating requirements

We are confident that the company will continue to improve and meet its targets in the next financial year.

Exceptional expenses
During the year the company incurred £568,000 on corporate services that were related to the restructure.

This report was approved on 25 July 2019 and is signed on behalf of the board by

B W Howard
Director

Directors' Report

The directors present their report and the financial statements for the year ended 31 March 2019.

Dividends
The Board recommended and paid a dividend for the year ended 31 March 2019 of £8,524,430 (2018: £Nil).

Going concern
The company's business activities, together with the factors likely to affect its future development and position, are set out in the Strategic Report. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than twelve months from the approval of these financial statements. The directors therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

Strategic information
The future outlook and financial risk management are explained in the Strategic Report.

Corporate social responsibility
Corporate social responsibility is an inherent part of our business. We are committed to helping improve the environments in which we work. We work collaboratively with colleagues, and other stakeholders, to deliver a range of initiatives including improving the utilisation of scarce resources, recycling and re-using materials and actively working with and support a range of local charities.

Employees and employment policies
The company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the company. This is achieved through formal and informal meetings, the company intranet and its own quarterly newsletter. Employees are consulted regularly on a wide range of matters affecting their current and future interests.

The company believes that the only long term competitive advantage which an organisation possesses is the ingenuity, skills and capabilities of the people it employs.

The company recognises that discrimination in the workplace, in any form, is unacceptable and has adopted an Equal Opportunities Policy. Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event that members of staff become disabled every effort is made to ensure that their employment with the company continues and the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

Directors' Report

Directors
The following persons served as directors during the year:

G A Other
S J Crabb
B W Howard
R I Freer (appointed 28 August 2018)
R B Sanders (appointed 14 May 2018 and resigned 28 August 2018)
L G Tamberlin (appointed 14 May 2018 and resigned 28 August 2018)

Directors' responsibilities
The directors are responsible for preparing the Strategic Report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the company for that period.

In preparing 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to 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.

To the best of our knowledge:

- the financial statements, prepared in accordance with United Kingdom Generally Accepted Accounting Practice, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company; and
- the Strategic Report and Directors' Report include a fair review of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties that they face.

Directors' Report

Disclosure of information to auditor

The directors confirm that:

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

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved on 25 July 2019 and is signed on behalf of the board by

B W Howard
Director

Independent auditor's report to the members of Orbis Protect Limited

Opinion
We have audited the financial statements of Orbis Protect Limited (the 'company') for the year ended 31 March 2019, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 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 directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Independent auditor's report to the members of Orbis Protect 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.

Matter on which we are required to report under the Companies Act 2006
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.

Matters on which we are required to report by exception
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 for the financial statements
As explained more fully in the directors' responsibilities statement set out on page 7 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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.

Independent auditor's report to the members of Orbis Protect Limited (continued)

Grant Thornton UK LLP

Elizabeth Collins BSc (Hons), ACA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants

25 July 2019

Statement of Comprehensive Income

	Notes	2019 £000	2018 £000
Turnover	3	33,639	30,343
Cost of sales		(20,214)	(18,068)
Gross profit		13,425	12,275
Administrative expenses		(9,726)	(9,480)
Exceptional other operating charges	4	(568)	(461)
Operating profit	5	3,131	2,334
Interest payable and similar charges	8	(431)	(109)
Profit on ordinary activities before taxation		2,700	2,225
Tax on profit on ordinary activities	9	2,494	-
Profit for the financial year		5,194	2,225

All amounts relate to continuing operations.

There was no other comprehensive income in the current or prior year.

The notes on pages 14 to 25 form part of these financial statements.

Statement of Financial Position

	Notes		2019 £000		2018 £000
Fixed assets					
Intangible assets	10		171		137
Tangible assets	11		835		998
			1,006		1,135
Current assets					
Stocks	12	89		81	
Debtors	13	20,506		14,252	
Cash at bank and in hand		64		144	
		20,659		14,477	
Creditors: amounts falling due within one year	14	(6,229)		(5,246)	
Net current assets			14,430		9,231
Total assets less current liabilities			15,436		10,366
Creditors: amounts falling due after more than one year	15		(8,290)		-
Provisions for liabilities					
Other provisions	19		(715)		(605)
Net assets			6,431		9,761
Capital and reserves					
Called up share capital	20		1,202		1,202
Other reserves	21		1		1
Profit and loss account			5,228		8,558
Total equity			6,431		9,761

These financial statements were approved by the board on 25 July 2019 and are signed on its behalf by

B W Howard
Director

Company registration number 02476859

The notes on pages 14 to 25 form part of these financial statements.

Statement of Changes in Equity

	Share capital £000	Other reserves £000	Profit and loss account £000	Total £000
At 1 April 2017	1,202	1	6,333	7,536
Profit for the financial year	-	-	2,225	2,225
At 31 March 2018	1,202	1	8,558	9,761
At 1 April 2018	1,202	1	8,558	9,761
Profit for the financial year	-	-	5,194	5,194
Dividends	-	-	(8,524)	(8,524)
At 31 March 2019	1,202	1	5,228	6,431

The notes on pages 14 to 25 form part of these financial statements.

Notes to the Financial Statements

1 Summary of significant accounting policies

Basis of preparation
The financial statements are prepared in pounds sterling, which is the functional currency of the company, and rounded to the nearest thousand pounds.

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

The preparation of financial statements in compliance with FRS 102 requires management to exercise judgement in applying the company's accounting policies and to make accounting estimates.

Cash flow statement
The company has taken advantage of the exemption provided by FRS 102 paragraphs 1.11 and 1.12 from the requirement to prepare a cash flow statement on the grounds that it is included in the consolidated financial statements of Project Cube Topco Limited.

Going concern
The company's business activities, together with the factors likely to affect its future development and position, are set out in the Strategic Report. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than twelve months from the approval of these financial statements. The directors therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

Turnover
Turnover, substantially all of which arises in the United Kingdom, relates to the company's principal activities. Contracts for services are accounted for as contract activity progresses and revenue is recognised to reflect the performance of the contractual obligations.

Turnover is stated net of value added tax and represents amounts derived from the provision of property services to third parties. Rental income is recognised on a straight line basis over the term of the lease. Turnover from the provision of other goods and services is recognised once the goods or services have been provided.

Accrued revenue primarily represents unbilled work and services provided in the year. Accrued revenue is recognised within debtors. Deferred revenue represents amounts either invoiced in advance of services being completed or an element of an initial invoice that relates to the provision of services throughout the length of the contract. Deferred revenue is recognised within creditors.

Notes to the Financial Statements

Exceptional items
Exceptional costs are disclosed on the face of the statement of comprehensive income where these are material and considered necessary to explain the underlying financial performance of the company. They are either one-off in nature or necessary elements of expenditure to derive future benefits for the company which have not been capitalised in the statement of financial position.

Costs of restructure are only considered to be exceptional where the restructure is transformational and the resultant cost is significant.

Intangible fixed assets
Intangible fixed assets are measured at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is charged so as to allocate the cost of an intangible asset, less its residual value, over its estimated useful economic life on the following basis:

Computer software	33% straight line

Tangible fixed assets
Tangible fixed assets are stated at cost less accumulated depreciation and any accumulated impairment losses. Cost includes the purchase price of the asset and the cost attributable to bringing the asset to its working condition for its intended use. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful economic life as follows:

Leasehold land and buildings	over the lease term
Plant & machinery and fixtures & fittings	15% - 25% straight line
Computer equipment	33% straight line

Stocks
Stocks are valued at the lower of cost and selling price less costs to sell, determined on a first in first out basis. Cost represents the the invoice price and expenditure incurred in the normal course of business in bringing the product to its present location and condition. Provision is made for obsolescent, slow moving and defective inventory, and is included in cost of sales.

Debtors
Short term debtors are measured at transaction price, less any impairment. Loan receivables and other financial assets are initially recognised at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any impairment.

Creditors
Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are initially recognised at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

Notes to the Financial Statements

Taxation
A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the relevant temporary differences reverse.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right of offset and an intention to settle the balances on a net basis.

Provisions
Provisions are recognised when the company has an obligation as a result of a past event, it is probable that an outflow of economic resouces will be required to settle the obligation and the amount of the obligation can be reliably estimated.

Where material to the financial statements, the company recognises a provision for annual leave accrued by employees as a result of service during the year which the employees are entitled to carry forward to use after the year end. The provision is measured at the estimated salary cost for the period of absence.

Leased assets
Rental charges in respect of assets leased under operating leases are apportioned on a straight line basis and expensed over the period of the lease.

The aggregate benefit of lease incentives is recognised as a reduction to the rental expense over the lease term on a straight line basis.

Financial instruments
Financial liabilities and equity instruments are classified 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 entity after deducting all of its liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument those financial instruments are classified as financial liabilities and are presented as such in the balance sheet.

Where the contractual terms of financial instruments do not meet the definition of a financial liability those financial instruments are classified as equity instruments. Dividends and other distributions relating to equity instruments are debited direct to equity.

Notes to the Financial Statements

Pensions
The company operates a defined contribution pension scheme. Contributions to defined contribution plans are expensed in the period to which they relate.

2 Significant judgements and key sources of estimation uncertainty

No significant judgements or estimates have been made in the preparation of these financial statements.

3 Turnover

Turnover is attributable to the company's principal activities which are wholly undertaken in the United Kingdom.

4 Exceptional other operating charges

	2019 £000	2018 £000
Corporate services	441	461
Restructuring	125	-
Other	2	-
	568	461

The exceptional costs of £568,000 (2018: £461,000) relate to restructuring costs which are considered to be one-off and non recurring and hence they are classified as exceptional costs.

5 Operating profit

Operating profit is stated after charging/(crediting):

	2019 £000	2018 £000
Depreciation of owned fixed assets	445	431
Amortisation of intangible assets	78	85
Operating lease rentals - plant and machinery	924	999
Operating lease rentals - other	558	546
Profit on sale of tangible fixed assets	(80)	(65)
Exceptional other operating charges	568	461
Auditor's remuneration for statutory audit services	24	22
Auditor's remuneration for non-audit services:		
- tax compliance	6	9
- preparation of statutory accounts	-	2

Notes to the Financial Statements

6 Directors' emoluments

	2019 £000	2018 £000
Emoluments	639	465
Company contributions to defined contribution pension plans	40	34
	679	499

Highest paid director:		
Emoluments	259	181
Company contributions to defined contribution pension plans	21	17
	280	198

Number of directors to whom retirement benefits accrued:	2019 Number	2018 Number
Defined contribution plans	3	3

7 Staff costs

	2019 £000	2018 £000
Wages and salaries	11,378	10,613
Social security costs	1,014	951
Other pension costs	287	247
	12,679	11,811

The company operates a defined contribution pension scheme. Other pension costs represent contributions payable to the scheme for the year. Contributions amounting to £49,000 (2018: £36,000) were due to the scheme at the year end and are included within creditors.

Average number of employees during the year	Number	Number
Sales and administration	124	128
Operational	308	293
	432	421

8 Interest payable

	2019 £000	2018 £000
Interest payable on bank loans	362	58
Other interest payable	69	51
	431	109

Notes to the Financial Statements

9 Taxation

	2019 £000	2018 £000
Analysis of charge in period		
Deferred tax:		
Origination and reversal of timing differences	485	-
Recognition of historic deferred tax asset	(2,979)	-
	(2,494)	-
Tax on profit on ordinary activities	(2,494)	-

The company has recognised a deferred tax asset at 31 March 2019 in respect of historic timing differences because it is now considered probable that sufficient future taxable profit will arise against which to reverse the differences.

Factors affecting tax charge for period
The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2019 £000	2018 £000
Profit on ordinary activities before tax	2,700	2,225
Standard rate of corporation tax in the UK	19%	19%
	£000	£000
Profit on ordinary activities multiplied by the standard rate of corporation tax	513	423
Effects of:		
Expenses not deductible for tax purposes	32	92
Fixed asset timing differences	-	10
Group relief	-	(148)
Effect of changes in tax rates on deferred tax balances	(60)	(40)
Recognition of historic deferred tax asset	(2,979)	-
Deferred tax not recognised	-	(337)
Tax charge/(credit) for period	(2,494)	-

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Factors that may affect future tax charges
The UK corporation tax rate reduces to 17% from 1 April 2020.

Notes to the Financial Statements

10 Intangible fixed assets

	Computer software
	£000
Cost	
At 1 April 2018	756
Additions	112
Disposals	(48)
At 31 March 2019	820
Amortisation	
At 1 April 2018	619
Provided during the year	78
On disposals	(48)
At 31 March 2019	649
Carrying amount	
At 31 March 2019	171
At 31 March 2018	137

11 Tangible fixed assets

	Leasehold land & buildings	Plant & machinery and fixtures & fittings	Computer equipment	Total
	£000	£000	£000	£000
Cost or valuation				
At 1 April 2018	789	6,565	1,238	8,592
Additions	38	195	49	282
Disposals	(65)	(906)	(111)	(1,082)
At 31 March 2019	762	5,854	1,176	7,792
Depreciation				
At 1 April 2018	640	5,793	1,161	7,594
Charge for the year	49	350	46	445
On disposals	(65)	(906)	(111)	(1,082)
At 31 March 2019	624	5,237	1,096	6,957
Carrying amount				
At 31 March 2019	138	617	80	835
At 31 March 2018	149	772	77	998

Notes to the Financial Statements

12 Stocks

	2019 £000	2018 £000
Tools and consumables	89	81

13 Debtors

	2019 £000	2018 £000
Trade debtors	5,022	4,334
Amounts owed by group undertakings	10,266	8,981
Deferred tax asset (see note 18)	2,494	-
Other debtors	1,614	6
Prepayments and accrued income	1,110	931
	20,506	14,252

All amounts owed by group undertakings are unsecured, bear no interest and are repayable on demand. The intercompany balances outstanding at 31 March 2018 from previous group companies were repaid in full in May 2018.

Approximately £2,000,000 of the deferred tax asset is expected to be recovered over a period of more than one year from the balance sheet date.

14 Creditors: amounts falling due within one year

	2019 £000	2018 £000
Bank loans	750	-
Finance facility	-	546
Trade creditors	1,133	1,462
Amounts owed to group undertakings	-	147
Other taxes and social security costs	1,459	1,199
Other creditors	111	92
Accruals and deferred income	2,776	1,800
	6,229	5,246

All amounts owed to group undertakings are unsecured, bear no interest and are repayable on demand. The intercompany balances outstanding at 31 March 2018 to previous group companies were settled in full in May 2018.

The company entered into a receivables finance facility in March 2015 that was repayable over 36 months by equal instalments at an interest rate of 2.25% over LIBOR. This facility was repaid in full on 30 May 2018 and on 1 October 2018 the company entered into a new agreement with an interest rate of 2.25% over LIBOR. As at 31 March 2019 a surplus of £1,583,000 had been generated and is disclosed within other debtors in note 13.

Notes to the Financial Statements

15 Creditors: amounts falling due after one year

	2019 £000	2018 £000
Bank loans	8,625	-
Bank loan transaction costs	(335)	-
	8,290	-

The bank loan transaction costs of £335,000 are being amortised over the term of the loans.

16 Bank loans

	2019 £000	2018 £000
Analysis of maturity:		
Within one year or on demand	750	-
Between one and two years	683	-
Between two and five years	2,049	-
After five years	5,558	-
	9,040	-

The company's bank loans comprise facilities on the following terms:

A £4.5m term loan repayable in quarterly instalments over a six year term to May 2024 at an interest rate of 3.45% over LIBOR. Interest of £170,000 accrued on this facility during the year, of which £1,000 was accrued and unpaid at the year end; and

A £5.5m loan maturing and repayable in full in May 2024 at an interest rate of 3.75% over LIBOR. Interest of £182,000 accrued on this facility during the year, of which £1,000 was accrued and unpaid at the year end.

The bank loans are secured by way of a fixed and floating charge over the assets of the company.

The carrying values of bank loans are presented net of transaction costs of £335,000, which are being amortised over the term of the loans.

Notes to the Financial Statements

17 Financial instruments

	2019 £000	2018 £000
Financial assets		
Financial assets measured at amortised cost	16,902	13,321
	16,902	13,321
Financial liabilities		
Financial liabilities measured at amortised cost	11,743	3,446
	11,743	3,446

18 Deferred taxation

	2019 £000	2018 £000
Capital allowances	(2,437)	-
Tax losses carried forward	(49)	-
Other timing differences	(8)	-
	(2,494)	-

	2019 £000	2018 £000
At 1 April	-	-
Credited to the profit and loss account	(2,494)	-
At 31 March	(2,494)	-

The company has recognised a deferred tax asset at 31 March 2019 in respect of historic timing differences because it is now considered probable that sufficient future taxable profit will arise against which to reverse the differences.

Approximately £2,000,000 of the deferred tax asset is expected to be recovered over a period of more than one year from the balance sheet date.

Notes to the Financial Statements

19 Provisions for liabilities

	Dilapidations £000
At 1 April 2018	605
Additional provisions made during the period	182
Amounts used	(72)
At 31 March 2019	715

The dilapidations provision relates to the estimated future costs of returning leased properties and vehicles to their original state.

20 Share capital

		2019 Number	2019 £000	2018 £000
Allotted, called up and fully paid:				
Ordinary shares	£1 each	1,201,800	1,202	1,202
Ordinary B shares	£1 each	1	-	-

The ordinary B share carries no voting rights. Dividends may be paid to either or both classes of shareholders. On a winding up of the company the ordinary B shareholder shall not be entitled to any payment unless and until the holders of the ordinary shares have received a minimum sum of £1,000,000 in respect of each ordinary share they hold.

21 Other reserves

	2019 £000	2018 £000
Capital redemption reserve	1	1
	1	1

The capital redemption reserve is a non-distributable reserve into which amounts are transferred following the redemption or purchase of the company's own shares.

22 Capital commitments

	2019 £000	2018 £000
Amounts contracted for but not provided in the accounts	72	25

Notes to the Financial Statements

23 Other financial commitments

Total future minimum lease payments under non-cancellable operating leases:

	Land and buildings 2019 £000	Land and buildings 2018 £000	Other 2019 £000	Other 2018 £000
Falling due:				
within one year	454	440	621	254
within two to five years	1,034	1,099	1,350	354
in over five years	232	322	-	-
	1,720	1,861	1,971	608

24 Contingent liabilities

Loan notes to the value of £14,423,000 issued by the company's parent company, Project Cube Bidco Limited, are secured against the assets of the company.

25 Parent companies and ultimate controlling party

The company's immediate parent company is Project Cube Bidco Limited. The smallest group for which consolidated financial statements including the company are prepared is that headed by Project Cube Topco Limited.

The company's ultimate controlling party is NorthEdge Capital II GP LLP.

26 Company information

Orbis Protect Limited is a private company limited by shares and incorporated in England with its registered office at:

Beaufort House
Cricket Field Road
Uxbridge
Middlesex
UB8 1QG