

Safeguard Solutions Limited

Report and Financial Statements

Year ended 31 March 2020

Registered Number 06387991

## Safeguard Solutions Limited Contents

Company Information	2
Report of the Directors for the year ended 31 March 2020	3
Report of the Independent Auditor	6
Statement of Comprehensive Income	10
Statement of Financial Position	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13

**Safeguard Solutions Limited**  
**Year ended 31 March 2020**  
**Company Information**

Registered Number	06387991
Board of Directors	C Tostevin R Kirk L Thompson
Registered Office	Safeguard Solutions Limited c/o Rochdale Boroughwide Housing Limited Sandbrook House, Sandbrook Way, Rochdale, OL11 1RY
Bankers	NatWest, 11 Spring Gardens, Manchester, M2 1FB
Independent Auditor	BDO LLP, 3 Hardman Street, Spinningfields, Manchester, M60 2AT

**Group Structure**

Safeguard Solutions Limited (SSL) (Reg. No 06387991), is a wholly owned private company limited by shares with its own Board of Directors. On the 3 April 2017, RBH acquired the remaining 50% shareholding in SSL from Securecom Ltd. This made SSL a 100% wholly owned subsidiary of RBH. The accounts of SSL are consolidated into the RBH Group Accounts.

Other companies within the group are:

Rochdale Boroughwide Housing (RBH) (Design and Build) Limited Co (Reg. No 07891824), a wholly owned private company limited by shares with its own Board of Directors.

RBH Professional Limited Co Reg. no 07807329, a wholly owned private company limited by shares with its own Board of Directors. RBH Professional Limited is currently dormant.

All group companies bank with the NatWest Bank and BDO LLP audit the group accounts.

Accounts for the group members are publicly available.

**Safeguard Solutions Limited**  
**Report of the Directors for the year ended 31 March 2020**

We are pleased to present the audited financial statements for Safeguard Solutions Limited (SSL) for the year ended 31 March 2020.

**Principal activity and results**

On the 3 April 2017, RBH acquired the 50% shareholding of Securecom Ltd in SSL. This made SSL a 100% wholly owned subsidiary of RBH.

For SSL, revenue has historically been generated through the installation of alarms, CCTV and through monitoring service, which are recognised over the life of the monitoring agreement. However, there have not been any third party installations since SSL has become a subsidiary of the RBH group.

The principal activity for the year to 31<sup>st</sup> March 2020 was the provision of CCTV monitoring services to Rochdale Borough Council. There has also been revenue from alarm repairs and maintenance. In December 2019, the SSL Board took the decision to serve notice on the CCTV contract with the Council. After consideration of whether the alarm monitoring and key holding service could be developed into one which provided a profitable income stream, the Board further decided in March 2020 that the company should cease trading at the same time as the CCTV contract end (November 2020). The company will therefore fulfil its current obligations but will not enter into any further contracts. Further information on how the decision to cease trading has affected the financial statements can be found in note 1 – going concern.

For 2019-20 SSL achieved a loss of £Nil (2019: Loss of £59,000).

**Directors**

The directors who served during the year are shown on page 2.

**Basis of preparation**

In previous years, the financial statements have been prepared on a going concern basis. However, as stated above, the directors took the decision to cease trading at the end of the contract. As a result the directors have prepared the financial statements on a basis other than going concern. No adjustments have been made to the financial statements as a result of being prepared on a basis other than going concern.

**Directors' responsibilities**

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

## **Safeguard Solutions Limited**

### **Report of the Directors for the year ended 31 March 2020 (continued)**

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 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. As described in note 1.2, the financial statements have not been prepared on a going concern basis.

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.

#### **Directors' Indemnities**

Directors' and officers' insurance cover has been established for all Directors of Group and/or its subsidiaries to provide appropriate cover for their reasonable actions on behalf of the Company. The indemnities, which constitute a qualifying third-party indemnity provision as defined by section 234 of the Companies Act 2006, were in force during the 2019/20 financial year and remain in force for all current and past Directors of the Company.

#### **Auditors**

All the current directors have taken all of the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that

**Safegard Solutions Limited**

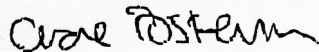
**Report of the Directors for the year ended 31 March 2020 (continued)**

information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP were appointed as auditors in the year and a resolution will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report and the financial statements the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The report of the Directors was approved on 21<sup>st</sup> September 2020 and signed on its behalf by:

A handwritten signature in black ink, appearing to read "Clare Tostevin", is centered on a light gray rectangular background.

Clare Tostevin  
Director, Safegard Solutions Ltd.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAFEGARD SOLUTIONS LIMITED**

### **Opinion**

We have audited the financial statements of Safeguard Solutions Limited ("the Company") for the year ended 31 March 2020 which comprise Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the 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 2020 and of its loss 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.

### **Emphasis of matter – financial statements prepared on a basis other than going concern**

We draw attention to Note 1 to the financial statements which explains the company will cease trade in November 2020 and therefore the Directors do not consider the company to be a going concern. Accordingly the financial statements have been prepared on a basis other than that of going concern as described in Note 1. Our opinion is not modified in this respect of this matter.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAFEGARD SOLUTIONS LIMITED (Continued)**

### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the annual report and financial statements, 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.

### **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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; 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 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;



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAFEGARD SOLUTIONS LIMITED (Continued)**

- 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small company's regime and take advantage of the small company's exemption from the requirement to prepare a strategic report.

### **Responsibilities of Directors**

As explained more fully in the Statement of Directors Responsibilities, 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:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAFEGARD SOLUTIONS LIMITED (Continued)**

**Use of our report**

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

BDO LLP

Helen Knowles (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Manchester, UK

28 September 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**Safeguard Solutions Limited**  
**Statement of Comprehensive Income**  
For the year ended 31 March 2020

	Notes	2020 £000s	2019 £000s
<b>Turnover</b>		283	264
Cost of sales		(34)	(74)
<b>Gross profit</b>		249	190
Administrative expenses		(250)	(250)
<b>Operating Loss</b>	2	(1)	(60)
Interest Receivable		1	1
<b>Loss</b>		-	(59)
Tax on profit on ordinary activities	3	-	-
<b>Loss for the year and Total comprehensive expense</b>		-	(59)

All amounts derive wholly from dis-continuing operations.

There are no other recognised gains and losses other than the profit for the year.

There was no other comprehensive income or loss for 2020 (2019 - £Nil).

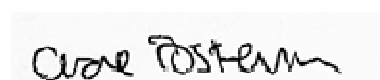
The notes on pages 13 to 18 form part of these financial statements.

**Safeguard Solutions Limited**  
**Statement of Financial Position**  
As at 31 March 2020  
Registered number: 06387991

	Notes	2020 £000s	2019 £000s
<b>Current Assets</b>			
Debtors	4	271	302
Cash at bank and in hand		289	433
Total current assets		560	735
Creditors: Amounts falling due within one year	5	(149)	(324)
<b>Net current assets</b>		<b>411</b>	<b>411</b>
<b>Total assets less current liabilities</b>		<b>411</b>	<b>411</b>
<b>Provisions for liabilities</b>			
Deferred tax	7	(5)	(5)
<b>Net assets</b>		<b>406</b>	<b>406</b>
<b>Capital and Reserves</b>			
Share Capital	8	-	-
Retained Earnings	9	406	406
<b>Total shareholders funds</b>		<b>406</b>	<b>406</b>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS 102 Section 1A – small entities.

These financial statements were approved by the board of directors and authorised for issue on 21<sup>st</sup> September 2020 and were signed on its behalf by:



C Tostevin  
Director

The notes on pages 13 to 18 form part of these financial statements.

**Safeguard Solutions Limited**  
**Statement of Changes in Equity**

**As at 31 March 2020**

	Share capital £000	Retained earnings £000	Total equity £000
At 1 April 2019	-	406	406
<b>Comprehensive loss for the year</b>			
Loss for the year	-	-	-
<b>Total comprehensive loss for the year</b>	-	-	-
<b>At 31 March 2020</b>	-	406	406

**As at 31 March 2019**

	Share capital £000	Retained earnings £000	Total equity £000
At 1 April 2018	-	465	465
<b>Comprehensive loss for the year</b>			
Loss for the year	-	(59)	(59)
<b>Total comprehensive loss for the year</b>	-	(59)	(59)
<b>At 31 March 2019</b>	-	406	406

The notes on pages 13 to 18 form part of these financial statements.

## **Safeguard Solutions Limited Notes to the Accounts**

For the Year ended 31 March 2020

### **1. Accounting Policies**

#### **Basis of preparation**

Safeguard Solutions Limited is a private company limited by shares incorporated in England & Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activity is given in the directors' report.

The financial statements have been prepared under the historical costs convention and in accordance with the provisions of Financial Reporting Standard 102 1A Small Entities. There were no material departures from that standard.

Safeguard Solutions Limited is party to an inter-group agreement for management charges, which reflect transfer pricing at third party rates.

Policies that have been approved within the parent company will be applied consistently throughout the group. The following principal accounting policies have been applied:

#### **Disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland:"

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instrument paragraphs 11.39 to 11.48A; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Rochdale Bororughwide Housing Limited as at 31 March 2020 and these financial statements can be obtained from their registered office at Sandbrook House, Sandbrook Way, Rochdale, OL11 1RY

#### **Going concern**

As described in the Director's Report, the SSL Board have made the decision to cease trading in November 2020. As a result, the directors have concluded that it is not appropriate to adopt a going concern basis of preparation in these financial statements. No adjustments have been made to the financial statements as a result of being prepared on a basis other than going concern

#### **Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is

**Safeguard Solutions Limited**  
**Notes to the Accounts (Continued)**  
For the Year ended 31 March 2020

measured as the fair value of the consideration received, excluding discounts, rebates, value added tax and other sales taxes.

Turnover from installation services is recognised when the service has been completed. Turnover for monitoring services is recognised over the life of the monitoring agreement. All turnover arises within the United Kingdom.

**Debtors**

Short term debtors are measured at transaction price, less any impairment.

**Creditors**

Short term creditors are measured at the transaction price.

**Financial Instruments**

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

Debt instruments, accounts receivable and payable, are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of the future payment discounted at a market rate of interest for a similar debt instrument.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and Loss Account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

**Safegard Solutions Limited**  
**Notes to the Accounts (Continued)**  
For the Year ended 31 March 2020

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

**Taxation**

SSL is a private company limited by shares. Activity within the company will be subject to Corporation Tax and VAT where applicable, however, it will be able to recover the VAT incurred.

**Significant judgements and estimates**

The company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. During the period and prior year there have been no key sources of estimation that have had a significant impact on the carrying value of assets and liabilities.

**2. Operating loss**

Safegard Solutions Limited operating surplus consists of inter-group recharges at third party rates in line with the Inter Group Agreement and an accrual for audit charges.

	<b>2020</b>	<b>2019</b>
	<b>£000s</b>	<b>£000s</b>
<b>Auditors remuneration</b>		
In their capacity as auditors	6	4

During the year no payments were made to directors (2019: £nil).  
The company does not have any employees.

**3. Taxation**

**Corporation Tax**

Due to SSL's reported position of £Nil there was no Taxation on ordinary activities.

The aggregate current and deferred tax relating to items recognised in other comprehensive income is a charge of £Nil (2019: £Nil).



**Safegard Solutions Limited**  
**Notes to the Accounts (Continued)**  
For the Year ended 31 March 2020

<b>Tax Reconciliation</b>	<b>2020</b>	<b>2019</b>
	<b>£000s</b>	<b>£000s</b>
(Loss) on ordinary activities before tax and interest on tax	(-)	(59)
Tax at UK corporation tax rate 19%: (2018/19 = 19%)	-	-
Effect of:		
Adjustments to brought forward values	-	-
Qualifying charitable donation to parent of taxable profits	-	-
Deferred tax not recognised	-	-
<b>Actual Total taxation charge</b>	<b>-</b>	<b>-</b>

**4. Debtors**

	<b>2020</b>	<b>2019</b>
	<b>£000s</b>	<b>£000s</b>
Trade debtors	30	50
Accrued Income and Prepayments	6	39
Amounts owed by Group undertakings	235	213
<b>Total</b>	<b>271</b>	<b>302</b>

Amounts owed by group are due on demand and interest free.

**5. Creditors: amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£000s</b>	<b>£000s</b>
Trade creditors	9	50
Accruals	19	16
Tax and social security	-	7
Amounts owed to Group undertakings	121	251
<b>Total</b>	<b>149</b>	<b>324</b>

Amounts owed by group are due on demand and interest free.

**Safegard Solutions Limited**  
**Notes to the Accounts (Continued)**  
For the Year ended 31 March 2020

**6. Financial Instruments**

	<b>2020</b>	<b>2019</b>
	<b>£000s</b>	<b>£000s</b>
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	554	696
	<b>554</b>	<b>696</b>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	149	317
	<b>149</b>	<b>317</b>

Financial assets measured at amortised cost comprise of trade debtors, amounts owed by group undertakings and cash balances.

Financial Liabilities measured at amortised cost comprise trade payables, accruals and amounts owed to group undertakings.

**7. Deferred Tax**

	<b>2020</b>	<b>2019</b>
	<b>£000s</b>	<b>£000s</b>
<b>At 1 April 2019</b>	<b>(5)</b>	<b>(5)</b>
Charge to Profit & Loss	-	-
<b>At 31 March 2020</b>	<b>(5)</b>	<b>(5)</b>

**8. Share Capital**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Authorised Share Capital</b>		
2 ordinary shares of £1	2	2
<b>Allotted, Called Up and fully paid shares</b>	<b>No.</b>	<b>No.</b>
Ordinary shares	2	2

SSL is a 100% wholly owned subsidiary of RBH.

**Safeguard Solutions Limited**  
**Notes to the Accounts (Continued)**  
For the Year ended 31 March 2020

**9. Reserves**

**Retained Earnings**

Retained Earnings include the accumulated profits and losses arising from the statement of comprehensive income and certain items from the Statement of Changes in Equity attributable to equity shareholders net of distributions to shareholders.

**10. Related Parties**

None of the directors have received any remuneration as a result of their position within Safeguard Solutions Limited, nor any other benefit in kind (2019:£nil). Luen Thompson however, is paid member of the RBH Board.

The company has taken advantage of the exemption conferred by FRS 102 Section 33 Related Party Disclosures paragraph 33.1A not to disclose transactions with group companies on the grounds that 100% of the voting rights in the company are controlled by the group.

**11. Controlling Parties**

Safeguard Solutions Limited is a wholly owned subsidiary of Rochdale Boroughwide Housing (RBH) Limited, a Charitable Community Benefit Society (Reg. No 31452 R), which is also a registered provider of social housing (Reg. no 4607), which is the ultimate parent company and which prepares group consolidated statements.

The consolidated financial statements of the company are available from their registered office at Sandbrook House, Sandbrook Way, Rochdale, OL11 1RY.

As Safeguard Solutions Limited does not have any employees, the day-to-day processing of the transactions for Safeguard Solutions Limited is managed by the parent company, Rochdale Boroughwide Housing Limited. This involves investing cash, reconciling bank statements and producing accounts for which Safeguard Solutions Limited receives a quarterly charge in line with the Inter-Group Agreement. The total charged for 2019-20 was £50k (2019: £58k).

**12. Post Balance Sheet Events**

During the COVID-19 lockdown period SSL has continued its principal activity of providing CCTV provision to Rochdale Borough Council, however repairs and maintenance were, during that time, limited to emergency repairs only. Since June 2020 repairs and maintenance has recommenced.

As the company is to cease trading from the end of November 2020 no new business is being sought, and operational costs are being monitored closely.