

**COMPANY REGISTRATION NUMBER: 12516945**

**Spyder Holdco Limited**  
**Financial Statements**  
**30 June 2021**

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# **Spyder Holdco Limited**

## **Financial Statements**

**Period ended 30 June 2021**

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# **Spyder Holdco Limited**

## **Strategic Report**

**Period ended 30 June 2021**

### **Group Strategic Report**

#### **Business Review**

Spyder Holdco was incorporated on 13 March 2020 and remained dormant until the acquisition of Beart Howard Investments on 28 August 2020.

Spyder HoldCo Limited (the Group) provides a full range of electronic security services to the domestic and commercial security markets, including the supply and maintenance of intruder alarms, CCTV, fire safety systems and a wide range of access control solutions. All customers are now offered internet enabled solutions, the provision of which enhances revenue and strengthens customer loyalty.

The Group works with several key product suppliers and can deliver complex solutions incorporating all current, competitive electronic installation products.

The Group has strategic alliances with selected key suppliers to maximise purchasing competitiveness and thus provide low-cost solutions for our customer base.

The Group's services range from annual maintenance contracts for monitored systems and standalone security systems to complex, new building installations. Market demand for IP solutions and Internet based solutions, with web-based access for customers, is now a major part of all new sales.

The Group is focused on delivering high quality service to the customer base. As a result, the Group maintains a disciplined geographic focus on servicing customers in London and the South East, to achieve economies of scale and to maintain quick response times. To be near to the customer base, which now comprises some 49,500 customers, we operate from service centres in Canterbury, Orpington, and Wimbledon.

The Group owns several long-established brands, many of which have been successful trading entities for over 30 years. Group brands include Spy Alarms, Guardian Security and Fire, S.D.S. Security, Stand-Fast Security and Crimefighter Alarms as well as a range of smaller brands.

Through the Group's banking arrangements, it has access to a significant pre agreed facility which will continue to help support the Group on its acquisition strategy and means that as an acquiror we remain able to react quickly to potential acquisitions and have a management team that is able to act on multiple transactions simultaneously.

Despite the period being disrupted by COVID-19 the Group completed the following four acquisitions in the current financial period:

- In September 2020 the Group acquired customer contacts from a partnership that traded as AES Fire & Security Systems (AES). These customer contracts are concentrated around Sutton, South London.
- In October 2020 the Group completed the acquisition of Stand-Fast Burglar Alarms Co. (East Kent) Ltd (trades as Stand-Fast Security). Stand-Fast Security is the first acquisition that we have incorporated into our Canterbury office. The Stand-Fast brand is very strong in East Kent.
- In February 2021, the Group acquired Crozet Alarms Ltd. Their customer contracts are concentrated around Oxted, Surrey.
- In February 2021, the Group also completed the acquisition of the Crimefighter Alarm Group, which incorporates Crimefighter Alarms Ltd and Judge Alarms (1992) Ltd. This is another acquisition that we have been able to incorporate into our Canterbury office. The Crimefighter brand is very strong in East Kent.

# Spyder Holdco Limited

## Strategic Report

Period ended 30 June 2021

### Business Review (continued)

The Board is prepared to examine opportunities outside our core area of London and the South East but these will need to be larger standalone enterprises and act as hubs to facilitate further future acquisitive growth in those particular geographic areas.

### Subsequent Events

In August 2021 the Group acquired Fire Action Limited (Fire Action). Fire Action is located only 2 miles from our main office in Orpington and has an unrivalled reputation in Kent for its fire services. This is the first primarily fire focused business that the Group has acquired and thus represents an important strategic development. It opens up the significant cross selling opportunities available to the Group through leveraging both the Spy and the Fire Action customer bases.

### Adjusted EBITDA

As a result of the goodwill amortisation charge arising from acquisitions, related deferred income balance movements and the necessary restructuring costs incurred in order to return acquired units to acceptable levels of profitability, the Board focuses, at the Group level, on Adjusted EBITDA.

	2021 £'000
Turnover	11,570
Statutory Operating Profit	(1,479)
Other Income	87
Depreciation	122
(Gain)/ loss on disposal of tangible assets	(23)
Goodwill amortisation	4,729
Non cash movement in deferred income, not acquired	(19)
Restructuring costs, exceptional items, monitoring costs	257
Adjusted EBITDA	3,674

### Key Performance Indicators

The Group has detailed and extensive management controls which are delivered to all new acquisitions, once acquired. All Group entities operate on the same CRM and accounting platform.

KPIs used include:

	2021
Gross Margin <sup>1</sup>	56.6%
Debtor Days <sup>2</sup> (based on net debtor balances outstanding)	37.5
Current total Contract Base, excluding incidental works arising	£9.47m
Cash conversion, adjusted cash generated from operations <sup>3</sup> /	
Adjusted EBITDA	94.5%
Adjusted EBITDA Margin	31.7%

1 Gross margin is stated after all variable, direct costs including labour, subcontractors, all materials, and all vehicle and related fuel and repairs.

2 Based on count back methodology being the relationship between the year end debtor balance and the sales in the last two months of the year.

3 Exceptional costs are added to cash generated from operations and deferred consideration removed to form adjusted cash generated from operations.

The groups Gross margin target remains 55%. The current period performance when taken in the context of the ongoing Covid-19 pandemic as well the significant acquisition integration is pleasing.

# **Spyder Holdco Limited**

## **Strategic Report**

**Period ended 30 June 2021**

### **Key Performance Indicators (continued)**

Cash conversion across the Group stood at 94.5%, this is in line with the Group target of 95%.

The Group has minimal capex requirements, full period spend was £129k and principally related to our vehicle fleet. In a typical period, net of cash disposals, the Group budgets for capex to be no more than depreciation, despite owning our fleet of vehicles.

The Group continues to be focused on cash collection and debt recovery and in a period that has been greatly impacted by Covid-19 a debtor day figure of 37.5 is considered reasonable. Management is confident that in the coming year debtor days will decrease following the implementation of planned initiatives.

### **Future development**

The Group plans to continue its acquisition growth strategy. The Group will continue to focus on those acquisitions that bring synergies to the Group with the expectation being they will continue to be primarily located in the South East. Before any acquisition is made, thorough due diligence will be undertaken to ensure that any such company is a good financial proposition and shares a similar philosophy and focus on customer service.

### **Financial Risk Management**

#### **Liquidity and cash flow risk**

The objective of the company in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The company expects to meet its obligations through operating cash flows. The policy of the Board is to pay creditors in accordance to the terms agreed. The directors constantly monitor cash flow and take appropriate action when required. The ultimate group has financial covenants in place in relation to the Group's borrowing facilities and the directors constantly monitor the headroom available.

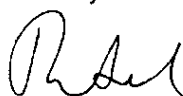
#### **Credit risk**

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligations. The Company is not over reliant on any one customer and all new customers must pay a significant deposit upon order, thereafter there is close management of outstanding debt and debtor ageing.

#### **Price risk**

Price risk is the risk of the product prices increasing. The Company has strong relationships with several major suppliers to the sector and through purchasing power can achieve a discount to the market pricing. The directors constantly monitor pricing and will take appropriate action on products, pricing and suppliers when required.

This report was approved by the board of directors on 17 December 2021 and signed on behalf of the board by:



Mr T Howard  
Director

# **Spyder Holdco Limited**

## **Directors' Report** *(continued)*

### **Period ended 30 June 2021**

The directors present their report and the financial statements of the group for the period ended 30 June 2021.

#### **Directors**

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

W J Skinner (Appointed 13 March 2020, resigned 28 August 2020)  
C Neale (Appointed 13 March 2020)  
T H G Howard (Appointed 28 August 2020)  
S G Thomas (Appointed 28 August 2020)  
D Green (Appointed 28 August 2020)  
H N De Beer (Appointed 28 August 2020)  
V A Wain (Appointed 20 January 2021)  
M Silver (Appointed 17 March 2021)

#### **Incorporation**

The company was incorporated on 13 March 2020. Its period end was extended to 31 June 2021. Beart Howard Investments Limited were acquired on 28 August 2020 and were therefore consolidated from this date.

#### **Dividends**

No interim dividends were paid. The directors do not recommend the payment of a final dividend.

#### **Disclosure of information in the strategic report**

The company has chosen to set out future developments in the strategic report.

#### **Going Concern**

In preparing the financial statements the directors are required to assess the Group's ability to continue to trade as a going concern for the foreseeable future.

In undertaking this assessment, the directors have given due consideration to the Group's banking facilities, historical and current trading, together with the forward-looking projections. These forecasts have been prepared based on the current economic conditions and show that the Group will continue to be cash generative, as it was throughout the COVID-19 pandemic. These forecasts also show that their will continue to be significant headroom available on all current banking facility financial covenants.

The Group is in a net current and total liability position. The Group has a net current liability position of £2,391k. A significant portion of current liabilities are represented by a non-cash deferred income liability (£4,526k). The total liability position is a not only a function of this, but also the large non-cash annual amortisation charge, as well the interest charge in the period, a significant portion of which is not settled in cash. Taking these non-cash items into account the Group itself is significantly cash generative and is forecast to remain so. Thus, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

# **Spyder Holdco Limited**

## **Directors' Report** *(continued)*

**Period ended 30 June 2021**

### **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 period. 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 group and the company and the profit or loss of the group 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;
- 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.

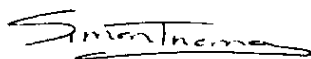
### **Auditor**

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 group and 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 group and 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 17 December 2021 and signed on behalf of the board by:



Mr S G Thomas  
Director

# **Spyder Holdco Limited**

## **Independent Auditor's Report to the Members of Spyder HoldCo Limited**

**Period ended 30 June 2021**

### **Opinion on the financial statements**

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 June 2021 and of the Group's loss for the period then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Spyder Holdco Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the period ended 30 June 2021 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs

(UK)) and applicable law. Our responsibilities under those standards are further described in the

Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We are independent of the Group and the Parent 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.

### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.



# **Spyder Holdco Limited**

## **Independent Auditor's Report to the Members of Spyder HoldCo Limited** (continued)

**Period ended 30 June 2021**

### **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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Other Companies Act 2006 reporting**

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 period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

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

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

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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.

# **Spyder Holdco Limited**

## **Independent Auditor's Report to the Members of Spyder HoldCo Limited** (continued)

**Period ended 30 June 2021**

### **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 group's and the parent 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 group or the parent 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.

### *Extent to which the audit was capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We gained an understanding of the legal and regulatory framework applicable to the group and the industry in which it operates, and considered the risk of non-compliance or fraud;
- We designed audit procedures to detect material misstatement due to fraud or error;
- We focussed on laws and regulations that could give rise to material misstatement in the financial statements, including but not limited to, Companies Act 2006, Health and Safety Regulations and certain requirements of UK tax legislation
- Our tests included, but were not limited to, agreement of the financial disclosures to underlying supporting documentation, enquiries of management and review of board minutes;
- We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

# **Spyder Holdco Limited**

## **Independent Auditor's Report to the Members of Spyder HoldCo Limited** *(continued)*

**Period ended 30 June 2021**

### **Use of our report**

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
*Nigel Harker*  
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Nigel Harker (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

Gatwick, UK

Date: 17 December 2021

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

**Spyder Holdco Limited**  
**Consolidated Statement of Comprehensive Income**  
**Period ended 30 June 2021**

	Note	2021 £'000
<b>Turnover</b>	<b>4</b>	<b>11,570</b>
Cost of sales		(5,022)
<b>Gross profit</b>		<b>6,548</b>
Administrative expenses		(8,027)
<b>Operating loss</b>	<b>6</b>	<b>(1,479)</b>
Other interest receivable and similar income		-
Interest payable and similar expenses	10	(3,788)
Other income	5	87
<b>Loss before taxation</b>		<b>(5,180)</b>
Tax on loss	11	(298)
<b>Loss for the financial period</b>		<b>(5,478)</b>

All the activities of the group are from continuing operations.

The group has no other recognised items of income and expenses other than the results for the current period as set out above.

The notes on pages 16 to 37 form part of these financial statements.

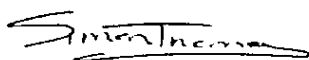
# Spyder Holdco Limited

## Consolidated Statement of Financial Position

30 June 2021

	Note	2021 £'000
<b>Fixed assets</b>		
Intangible assets	12	45,334
Tangible assets	13	310
		<u>45,644</u>
<b>Current assets</b>		
Stocks	15	48
Debtors	16	2,208
Cash at bank and in hand		2,792
		<u>5,048</u>
<b>Creditors: amounts falling due within one year</b>	17	<u>(7,438)</u>
<b>Net current liabilities</b>		<u>(2,390)</u>
<b>Total assets less current liabilities</b>		<u>43,254</u>
<b>Creditors: amounts falling due after more than one year</b>	18	(47,937)
<b>Provisions</b>		
Taxation including deferred tax	19	(20)
<b>Net liabilities</b>		<u>(4,703)</u>
<b>Capital and reserves</b>		
Called up share capital	23	8
Share premium account		767
Profit and loss account		(5,478)
<b>Shareholders' deficit</b>		<u>(4,703)</u>

These financial statements were approved by the board of directors and authorised for issue on 17 December 2021, and are signed on behalf of the board by:



Mr S G Thomas  
Director

Company registration number: 12516945

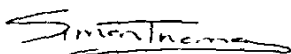
The notes on pages 16 to 37 form part of these financial statements.

**Spyder Holdco Limited**  
**Company Statement of Financial Position**  
**30 June 2021**

	Note	2021 £'000
<b>Fixed assets</b>		
Investments	14	-
<b>Current assets</b>		
Debtors	16	10,533
Debtors: Amounts falling after more than one year	16	9,061
Cash at bank and in hand		-
		<u>19,594</u>
<b>Creditors: amounts falling due within one year</b>	17	<u>(286)</u>
<b>Net current assets</b>		<u>19,308</u>
<b>Total assets less current liabilities</b>		<u>19,308</u>
<b>Creditors: amounts falling due after more than one year</b>	18	<u>(18,764)</u>
<b>Net assets</b>		<u><u>544</u></u>
<b>Capital and reserves</b>		
Called up share capital	23	8
Share premium account		767
Profit and loss account		<u>(231)</u>
<b>Shareholders' funds</b>		<u><u>544</u></u>

The loss for the financial period of the parent company was £230,591.

These financial statements were approved by the board of directors and authorised for issue on 17 December 2021, and are signed on behalf of the board by:



Mr S G Thomas  
Director

Company registration number: 12516945

The notes on pages 16 to 37 form part of these financial statements.

**Spyder Holdco Limited**  
**Consolidated Statement of Changes in Equity**  
**Period ended 30 June 2021**

	Called up share capital £'000	Share premium account £'000	Profit and loss account £'000	<b>Total £'000</b>
<b>At Incorporation</b>	-	-	-	-
Loss for the period	-	-	(5,478)	<b>(5,478)</b>
<b>Total comprehensive income for the period</b>	-	-	(5,478)	<b>(5,478)</b>
Shares issued	8	767	-	<b>775</b>
<b>Total investments by and distributions to owners</b>	8	767	-	<b>775</b>
<b>At 30 June 2021</b>	8	767	(5,478)	<b>(4,703)</b>

The notes on pages 16 to 37 form part of these financial statements.

**Spyder Holdco Limited**  
**Company Statement of Changes in Equity**  
**Period ended 30 June 2021**

	Called up share capital £'000	Capital redemption reserve £'000	Profit and loss account £'000	Total £'000
<b>At Incorporation</b>	-	-	-	-
Loss for the period	-	-	(231)	(231)
<b>Total comprehensive income for the period</b>	-	-	(231)	(231)
Shares issued	8	767	-	775
<b>Total investments by and distributions to owners</b>	8	767	-	775
<b>At 30 June 2021</b>	8	767	(231)	544

The notes on pages 16 to 37 form part of these financial statements.



**Spyder Holdco Limited**  
**Consolidated Statement of Cash Flows**  
**Period ended 30 June 2021**

	2021 £'000
<b>Cash flows from operating activities</b>	
Loss for the financial period	(5,478)
<i>Adjustments for:</i>	
Depreciation of tangible assets	122
Amortisation of intangible assets	4,729
Other interest receivable and similar income	-
Interest payable and similar expenses	3,788
Gains on disposal of tangible assets	(23)
Tax on profit	298
<i>Changes in:</i>	
Stock	10
Trade and other debtors	111
Trade and other creditors	(404)
(Decrease)/increase in deferred income	(19)
<b>Cash generated from operations</b>	<b>3,134</b>
Interest paid	(1,060)
Interest received	-
Tax paid	(714)
<b>Net cash from operating activities</b>	<b>1,360</b>
<b>Cash flows from investing activities</b>	
Purchase of tangible assets	(129)
Proceeds from sale of tangible assets	25
Cash acquired on company acquisitions	4,656
Business acquisition costs	(46,455)
<b>Net cash used in investing activities</b>	<b>(41,903)</b>
<b>Cash flows from financing activities</b>	
Net proceeds from bank borrowing	16,325
Repayment of bank borrowing	(2,508)
Proceeds from issue of ordinary shares	775
Proceeds from loan note issue	11,436
Proceeds from preference share issue	17,307
<b>Net cash used in financing activities</b>	<b>43,335</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>2,792</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>-</b>
<b>Cash and cash equivalents at end of period</b>	<b>2,792</b>

The notes on pages 16 to 37 form part of these financial statements.

# Spyder Holdco Limited

## Notes to the Financial Statements *(continued)*

Period ended 30 June 2021

### 1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is c/o Peachey & Co LLP, 95 Aldwych, London, WC2B 4JF.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the 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 measured at fair value through profit or loss.

Accounting standards require the directors to consider the appropriateness of the going concern basis when preparing the financial statements.

In undertaking this assessment, the directors have given due consideration to the Group's banking facilities, historical and current trading, together with the forward-looking projections. These forecasts have been prepared based on the current economic conditions and show that the Group will continue to be cash generative, as it was throughout the COVID-19 pandemic. These forecasts also show that there will continue to be significant headroom available on all current banking facility financial covenants.

The Group is in a net current and total liability position. The Group has a net current liability position of £2,390,662. A significant portion of current liabilities are represented by a non-cash deferred income liability (£4,525,755). The total liability position is not only a function of this, but also the large non-cash annual amortisation charge, as well as the interest charge in the period, a significant portion of which is not settled in cash. Taking these non-cash items into account the Group itself is significantly cash generative and is forecast to remain so. Thus, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The financial statements are prepared in sterling, which is the functional currency of the entity. Values are rounded to the nearest thousand.

#### Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) No cash flow statement or net debt reconciliation has been presented for the company.
- (b) No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.

#### Consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over ten years from the date of acquisition on a straight-line basis. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. The company has chosen to rely on the exemption from including its individual income statement as conferred by s408 Companies Act 2006.

# **Spyder Holdco Limited**

## **Notes to the Financial Statements *(continued)***

**Period ended 30 June 2021**

### **3. Accounting policies *(continued)***

#### **Judgements and key sources of estimation uncertainty**

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

#### **Significant judgements**

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

##### **(i) Deferred Income**

The income generated in relation to ongoing maintenance contracts by the Group is deferred evenly in line with the period of maintenance cover provided, which management have assessed as a reliable judgement. The basis used for calculating deferred income is reviewed annually and updated when required by management.

##### **(ii) Impairment of goodwill**

An impairment exists when the carrying value of an asset of CGU exceeds its recoverable amount, which is deemed to be value in use. On an annual basis the balance is assessed via reference to impairment indicators. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger CGU, the viability and expected future performance of that unit.

#### **Key sources of estimation uncertainty**

The key assumptions or estimation uncertainties at the statement of financial position date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial period, are discussed below.

##### **(i) Trade debtor provisions**

Recoverability of trade receivables is determined via regular reviews in the light of the available economic information specific to each receivable with specific provisions recognised for balances considered to be irrecoverable. Estimation of future credit provisions are also assessed via reference to that historically experienced by the Group. The actual outcome may vary from the amount estimated.

#### **Debtors**

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts.

#### **Creditors**

Short term creditors are measured at transaction price (which is usually the invoice price).

Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

# **Spyder Holdco Limited**

## **Notes to the Financial Statements *(continued)***

**Period ended 30 June 2021**

### **3. Accounting policies *(continued)***

#### **Revenue recognition**

The group recognises turnover principally on the following types of transactions:

- sales and installation of products including fire and security systems;
- call outs including repairs; and
- Regular monitoring and maintenance services.

Turnover from the sale and installation of products is recognised at the time title and risks and rewards of ownership pass. Provisions for anticipated losses are made in the period in which they become determinable. The sales prices for products and installations are generally specified and fixed by the original agreement.

Turnover from call out services are recognised at the time the engineer has completed the call as the service provided is complete. The turnover recognised is at a set price agreed from the existing customer contract or set rates for new customers.

Turnover from monitoring systems and services are recognised as the service is rendered on a straight-line basis over the invoice period in accordance with the terms of the contract. Non-refundable turnover received in connection with the initiation of a monitoring contract, along with any associated direct costs, are deferred and amortised over the associated period. Such turnover invoiced in advance is disclosed as deferred income in the accounts.

All turnover recognised for the various income streams is exclusive of Value Added Tax.

#### **Exceptional items**

Exceptional items are disclosed separately in the financial statements in order to provide further understanding of the financial performance of the entity. They are material items of income or expense that have been shown separately because of their nature or amount.

#### **Income tax**

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

#### **Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

# **Spyder Holdco Limited**

## **Notes to the Financial Statements *(continued)***

**Period ended 30 June 2021**

### **3. Accounting policies *(continued)***

#### **Goodwill**

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of

#### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	Ten periods straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

#### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

#### **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	-	25% straight line
Motor vehicles	-	25% straight line
Equipment	-	25% straight line

#### **Investments**

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

**Spyder Holdco Limited**  
**Notes to the Financial Statements (continued)**  
**Period ended 30 June 2021**

**3. Accounting policies (continued)**

**Impairment of fixed assets**

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.

For the purposes of impairment testing, 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 largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

**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 stock to its present location and condition.

**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 as a finance cost in profit or loss in the period it arises.

**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 financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

# **Spyder Holdco Limited**

## **Notes to the Financial Statements *(continued)***

**Period ended 30 June 2021**

### **3. Accounting policies *(continued)***

#### **Financial instruments *(continued)***

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 financial liabilities.

#### **Reserves**

The group and company reserves are as follows:

- Called up share capital reserve represents the nominal value of the shares issued.
- Share premium account represents the premium paid above the nominal value of shares issued by the company to date.
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

#### **Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid.

#### **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 as a finance cost in profit or loss in the period in which it arises.

#### **Business combinations**

Business combinations are accounted for using the purchase method.

The cost of a business combination is measured as the aggregate of the fair values, at the acquisition date, of assets given, liabilities incurred or assumed, and equity instruments issued plus any costs directly attributable to the business combination.

Where control is achieved in stages, the cost of the business combination is the aggregate of the fair values of the assets given, liabilities incurred or assumed, and equity instruments issued at the date of each transaction in the series.

Where the business combination requires an adjustment to the cost contingent on future events, the estimated amount of that adjustment is included in the cost of the combination at the acquisition date providing it is probable and can be measured reliably. Where it is not recognised at the acquisition date but subsequently becomes probable and can be measured reliably, the additional consideration is treated as an adjustment to the cost of the combination.

# Spyder Holdco Limited

## Notes to the Financial Statements *(continued)*

Period ended 30 June 2021

### 3. Accounting policies *(continued)*

#### Government grants

Grants of a revenue nature are recognised in "other operating income" within the Statement of Income and Retained Earnings in the same period as the related expenditure. This includes the Government Coronavirus Job Retention Scheme ("Furlough"). The Company has not directly benefited from any other forms of government assistance.

### 4. Turnover

Turnover arises from:

	2021 £'000
Installation	2,062
Monitoring & maintenance services	7,109
Call outs, including repairs	2,399
	<u>11,570</u>

All turnover of the Group and was undertaken exclusively in the United Kingdom.

### 5. Other income

	2021 £'000
Other income	<u>87</u>

This relates entirely to funds received via the Government Coronavirus Job Retention Scheme.

### 6. Operating profit

Operating profit is stated after charging:

	2021 £'000
Amortisation of intangible assets	4,729
Depreciation of tangible assets	122
Gains on disposal of tangible assets	<u>(23)</u>

Included in administrative expenses are the following exceptional items:

	Group 2021 £'000	Company 2021 £'000
Business integration costs	<u>212</u>	<u>-</u>



# Spyder Holdco Limited

## Notes to the Financial Statements *(continued)*

Period ended 30 June 2021

### 7. Auditors' remuneration

	2021 £'000
Fees payable to the company's auditor for the audit of these financial statements and that of its subsidiaries	68
Fees payable to the company's auditor for covenant compliance reporting	3
Fees payable to the company's auditor for the taxation services to it and that of its subsidiaries	44

### 8. Staff costs

The average number of persons employed by the group during the period, excluding the directors in the period, amounted to:

	2021 No.
Production staff	75
Administrative staff	63
Management staff	5
	143

The aggregate payroll costs incurred during the period, relating to the above, were:

	2021 £'000
Wages and salaries	3,845
Social security costs	420
Other pension costs	88
	4,353

The company has no employees.

### 9. Directors' remuneration

	2021 £'000
The directors' aggregate remuneration in respect of qualifying services (excluding pension contributions)	465
Emoluments of the highest paid director (excluding pension contributions)	146

The number of directors who were members of a money purchase pension scheme was 3. Payment of employer's contributions to the scheme in the period was £6,286. The employer's contributions in respect of the highest paid director were £1,095.

Key management are the statutory directors only.

### 10. Interest payable and similar expenses

	2021 £'000
Bank loan interest payable	1,370
Loan note interest payable	962
Preference share interest payable	1,456
	3,788

**Spyder Holdco Limited**  
**Notes to the Financial Statements** *(continued)*  
**Period ended 30 June 2021**

**11. Tax on loss**

**Major components of tax expense**

	2021 £'000
<b>Current tax:</b>	
UK current tax expense	342
Total current tax	<u>342</u>
<b>Deferred tax:</b>	
Origination and reversal of timing differences	(44)
<b>Tax on loss</b>	<u>298</u>

**Reconciliation of tax expense**

The tax assessed on the profit on ordinary activities for the period is higher than the standard rate of corporation tax in the UK of 19%.

	2021 £'000
Profit on ordinary activities before taxation	(5,180)
Taxation on ordinary activities at the standard rate	(984)
Effect of expenses not deductible for tax purposes	1,302
Change in tax rate	-
Deferred tax not recognised	(20)
<b>Tax on loss</b>	<u>298</u>

In the Budget of 11 March 2020, the Chancellor of the Exchequer announced that the planned rate reduction to 17% would no longer be taking effect and Corporation Tax would remain at 19%. This rate was used in the June 2020 deferred tax calculations. The Finance Act 2021 increased the corporation tax rate to 25% with effect 1 April 2023 and this was substantively enacted as at the 2021 balance sheet date, therefore, all opening deferred taxation balances have been remeasured at 25% with an adjustment recognised in the 2021 total tax charge.

# Spyder Holdco Limited

## Notes to the Financial Statements *(continued)*

Period ended 30 June 2021

### 12. Intangible assets

<b>Group</b>	<b>Goodwill £'000</b>
<b>Cost</b>	
At incorporation	-
Additions	50,063
<b>At 30 June 2021</b>	<b>50,063</b>
<b>Amortisation</b>	
At incorporation	-
Charge for the period	4,729
<b>At 30 June 2021</b>	<b>4,729</b>
<b>Carrying amount</b>	
<b>At 30 June 2021</b>	<b>45,334</b>
At incorporation	-

The additions in the period relate to the goodwill on business acquisitions in the period. These are detailed further in notes 14 and 24.

The company has no intangible assets.

# Spyder Holdco Limited

## Notes to the Financial Statements *(continued)*

Period ended 30 June 2021

### 13. Tangible assets

Group	Plant and machinery £'000	Motor vehicles £'000	Equipment £'000	Total £'000
<b>Cost</b>				
At incorporation	-	-	-	-
Additions	-	121	8	129
Cost of acquisition	243	920	124	1,287
Disposals	(219)	(115)	(42)	(376)
<b>At 30 June 2021</b>	<b>24</b>	<b>926</b>	<b>90</b>	<b>1,040</b>
<b>Depreciation</b>				
At incorporation	-	-	-	-
Charge for the period	-	104	18	122
Depreciation on acquisition	243	642	95	980
Disposals	(219)	(111)	(42)	(372)
<b>At 30 June 2021</b>	<b>24</b>	<b>635</b>	<b>71</b>	<b>730</b>
<b>Carrying amount</b>				
<b>At 30 June 2021</b>	<b>-</b>	<b>291</b>	<b>19</b>	<b>310</b>
At incorporation	-	-	-	-

The company has no tangible assets.

# Spyder Holdco Limited

## Notes to the Financial Statements *(continued)*

Period ended 30 June 2021

### 14. Investments

The group has no investments.

Company	shares in group undertakings £'000
<b>Cost and Carrying amount</b>	
At incorporation	-
Additions	-
<b>At 30 June 2021</b>	<b>-</b>

The investment addition in Spyder Finco Limited was £1.

### Subsidiaries, associates and other investments

Details of the investments in which the parent company has an interest of 20% or more are as follows:

	Class of share	Percentage of shares held
<b>Subsidiary undertakings</b>		
Spyder Finco Limited	Ordinary	100
Spyder Midco Limited*	Ordinary	100
Spyder Bidco Limited*	Ordinary	100
Spy Alarms Limited*	Ordinary	100
Sussex Alarms Limited (dormant)*	Ordinary	100
Guardian Security & Fire Limited*	Ordinary	100
S.D.S Security Limited (dormant)*	Ordinary	100
A.D.L Security Services Limited (dormant)*	Ordinary	100
Guardian Security Limited (dormant)*	Ordinary	100
Special Purpose Electronics Limited (dormant)*	Ordinary	100
Buchanan & Curwen Security Limited (dormant)*	Ordinary	100
Harris and Sandford Security Limited (dormant)*	Ordinary	100
BCS Security Limited (dormant)*	Ordinary	100
Telecom Alarms Limited (dormant)*	Ordinary	100
Crown Security Systems Limited (dormant)*	Ordinary	100
Heston Apex Limited (dormant)*	Ordinary	100
DSC Alarms Limited (dormant)	Ordinary	100
Stand Fast Burglar Alarm Co. (East Kent) Limited (dormant)*	Ordinary	100
Stand Fast Burglar Alarms Holding Limited (dormant)*	Ordinary	100
Judge Alarms (1992) Limited (dormant)*	Ordinary	100
Crimefighter Alarms Limited (dormant)*	Ordinary	100
Crozet Alarms Limited (dormant)*	Ordinary	100

All subsidiary undertakings are included in the consolidated accounts.

\*Held indirectly.

The registered offices of all the subsidiary undertakings are the same as that of the parent.

### 15. Stocks

	Group 2021 £'000	Company 2021 £'000
Raw materials and consumables	48	-

**Spyder Holdco Limited**  
**Notes to the Financial Statements** *(continued)*  
**Period ended 30 June 2021**

**16. Debtors**

	<b>Group</b>	<b>Company</b>
	<b>2021</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Trade debtors	1,726	-
Prepayments and other debtors	405	-
Corporation tax receivable	77	-
Amounts owed by group undertakings	-	10,533
Loan notes receivable	-	9,061
	<u>2,208</u>	<u>19,594</u>

The impairment less recognised in the group loss for the period in respect of bad and doubtful debtors was £303k.

All the above are receivable within one year apart from the "Loan notes receivable".

Loan notes receivable are due from a subsidiary, Spyder Finco Limited. These loan notes are unsecured and entitle the holder to a fixed annum coupon rate of 10%.

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

	<b>Group</b>	<b>Company</b>
	<b>2021</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Trade creditors	932	-
Accruals	808	-
Corporation tax	193	286
Social security and other taxes	797	-
Deferred income	4,526	-
Other creditors	57	-
Deferred consideration	125	-
	<u>7,438</u>	<u>286</u>

**18. Creditors: amounts falling due after one year**

	<b>Group</b>	<b>Company</b>
	<b>2021</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Bank loan	16,777	-
Loan note	10,228	-
"A" Loan Note	2,168	-
Preference Shares	15,473	15,473
"A" Preference Shares	3,291	3,291
	<u>47,937</u>	<u>18,764</u>

The Preference Shares and "A" Preference Shares entitle the holder to a fixed cumulative preferential dividend at a rate of 10% per annum. The shares confer no voting rights, and the shares are redeemable. In accordance with FRS102 these shares have been treated as liabilities.

The Loan Notes and "A" Loan Notes entitle the holder to a fixed annum coupon rate of 10% per annum. These two loan note categories are not secured.

# Spyder Holdco Limited

## Notes to the Financial Statements *(continued)*

Period ended 30 June 2021

### 18. Creditors: amounts falling due after one period (continued)

The maturity of the bank loan is as follows:

	Group 2021 £'000	Company 2021 £'000
In one year or less, or on demand	-	-
In more than one year but not more than two years	-	-
In more than two years but not more than five years	-	-
In more than five years	16,777	-
	<u>16,777</u>	<u>-</u>

On acquisition of Beart Howard Investments Limited on 28 August 2020 the bank loans held by that group totalling £2,507,149 were immediately repaid.

On 28 August 2020 the Company along with fellow companies in the group headed by Spyder Holdco Limited entered into a new borrowing arrangement. The principle does not fall for repayment until the end of the loan agreement on 28 August 2027, and are subject to a variable rate of LIBOR over a margin of 7%. At the period end there is an unutilised acquisition facility of £8,500,000.

Included within bank loans is an amount of £723,165 relating to legal and professional arrangement fees.

These loans were secured solely by way of a charge over the assets of the Group.

### 19. Provisions

Group	Deferred tax (note 20) £'000
At incorporation	-
Acquired on acquisition	64
Utilised	(44)
<b>At 30 June 2021</b>	<u><b>20</b></u>

The company does not have any provisions.

### 20. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	Group 2021 £'000	Company 2021 £'000
Included in provisions (note 19)	<u>20</u>	<u>-</u>

### 21. Employee benefits

#### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £87,530.

**Spyder Holdco Limited**  
**Notes to the Financial Statements (continued)**  
**Period ended 30 June 2021**

**22. Financial instruments**

The carrying amount for each category of financial instrument is as follows:

Financial assets that are debt instruments are measured at amortised cost

	Group 2021 £'000
Trade Debtors	1,726
Cash and cash equivalents	2,792
	<u>4,518</u>

Financial liabilities measured at amortised cost

	Group 2021 £'000
Trade creditors	932
Bank loans	16,777
Accruals	808
"A" Preference shares	3,291
Preference shares	15,472
Loan notes payable	10,229
"A" Loan notes payable	2,168
Other creditors	57
Deferred consideration	125
	<u>49,859</u>

**23. Called up share capital**

Issued, called up and fully paid

	2021	
	No.	£
A Ordinary shares of £0.01 each	388,296	3,883
B Ordinary shares of £0.01 each	211,704	2,117
Preference shares of £1 each	14,271,256	14,271,256
A Preference shares of £1 each	3,035,504	3,035,504
C1 Ordinary shares of £0.01 each	140,000	1,400
C2 Ordinary shares of £0.01 each	35,000	350

A and B Ordinary shares confer voting rights and they are entitled *pari passu* to dividend payment or any other distribution as well as participate in a distribution arising from a winding up of the company. The shares are not redeemable.

C1 Ordinary and C2 Ordinary shares do not confer voting rights. They are entitled *pari passu* to dividend payment or any other distribution as well as participate in a distribution arising from a winding up of the company. The shares are not redeemable.

The Preference Shares and "A" Preference Shares entitle the holder to a fixed cumulative preferential dividend at a rate of 10% per annum. The shares confer no voting rights, and the shares are redeemable. In accordance with FRS102 these shares have been treated as liabilities.

On company incorporation 100 A Ordinary shares were issued. On 28 August 2020 388,296 A Ordinary share, 211,704 B Ordinary shares, 14,271,256 Preference shares, 3,035,504 A Preference shares, 120,000 C1 Ordinary shares and 30,000 C2 Ordinary shares were issued.

On 17 March 2021 a further 20,000 C1 Ordinary shares and 5,000 C2 Ordinary shares were issued.



# Spyder Holdco Limited

## Notes to the Financial Statements *(continued)*

Period ended 30 June 2021

### 24. Business combinations

#### Acquisition of Beart Howard Investments Limited

On 28 August 2020, the Group acquired the entire share capital of Beart Howard Investments Limited.

The fair value of consideration paid in relation to the acquisition of Beart Howard Investments Limited is as follows:

	£'000
Cash	41,431
Directly attributable legal and professional costs	1,743
	<u>43,174</u>

The fair value of amounts recognised at the acquisition date in relation to Beart Howard Investments Limited are as follows:

	Fair value £'000
Fixed assets	239
Stock	38
Trade debtors	1,541
Prepayments	171
Cash and cash equivalents	3,029
Trade creditors	(889)
Deferred income	(3,733)
Bank loans	(2,507)
Social Security & Other taxes	(842)
Other creditors	(9)
Accruals	(891)
Corporation tax	(450)
Deferred taxation	(42)
	<u>(4,345)</u>
Goodwill on acquisition	47,519
	<u>43,174</u>

The consolidated income statement for the financial period includes turnover of £11,570,053 and profit before tax of £2,278,655 in respect of Beart Howard Investments Limited since the acquisition date (note – this incorporates the post-acquisition performance of all of other acquisitions in the year as well, as they were acquired within the Beart Howard Investments Limited group).

**Spyder Holdco Limited**  
**Notes to the Financial Statements** *(continued)*  
**Period ended 30 June 2021**

**24. Business combinations (continued)**

**Acquisition of Stand-Fast Burglar Alarms Holdings Limited**

On 30 October 2020, the Group acquired the entire share capital of Stand-Fast Burglar Alarms Holdings Limited for an enterprise value of £371,646.

The fair value of consideration paid in relation to the acquisition of Stand-Fast Burglar Alarms Holdings Limited is as follows:

	<b>£'000</b>
Cash	834
Directly attributable legal and professional costs	24
	<u>858</u>

The fair value of amounts recognised at the acquisition date in relation to Stand-Fast Burglar Alarms Holdings Limited are as follows:

	<b>Fair value £'000</b>
Fixed assets	7
Stock	5
Trade debtors	52
Prepayments	11
Cash and cash equivalents	462
Trade creditors	(26)
Deferred income	(281)
Social Security & Other taxes	(34)
Other creditors	(2)
Accruals	(22)
Corporation tax	(6)
Deferred taxation	(6)
	<u>160</u>
Goodwill on acquisition	698
	<u>858</u>

The consolidated income statement for the financial period includes turnover of £581,938 and profit before tax of £128,021 in respect of Stand-Fast Burglar Alarms Holdings Limited since the acquisition date.

# Spyder Holdco Limited

## Notes to the Consolidated Detailed Income Statement

Period ended 30 June 2021

### 24. Business combinations (continued)

#### Acquisition of Judge Alarms (1992) Limited

On 26 February 2021, the Group acquired the entire share capital of Judge Alarms (1992) Holdings Limited for an enterprise value of £727,232.

The fair value of consideration paid in relation to the acquisition of Judge Alarms (1992) Holdings Limited is as follows:

	£'000
Cash	1,732
Deferred consideration	125
Directly attributable legal and professional costs	25
	<u>1,882</u>

The fair value of amounts recognised at the acquisition date in relation to Judge Alarms (1992) Holdings Limited are as follows:

	Fair value £'000
Fixed assets	56
Stock	15
Trade debtors	149
Prepayments	4
Cash and cash equivalents	1,130
Trade creditors	(15)
Deferred income	(271)
Social Security & Other taxes	(33)
Other creditors	(44)
Accruals	(12)
Corporation tax	(31)
Deferred taxation	(16)
	<u>932</u>
Goodwill on acquisition	950
	<u>1,882</u>

The consolidated income statement for the financial period includes turnover of £375,358 and profit before tax of £152,715 in respect of Judge Alarms (1992) Holdings Limited since the acquisition date.

## Spyder Holdco Limited

### Notes to the Consolidated Detailed Income Statement

Period ended 30 June 2021

#### 24. Business combinations (continued)

##### Acquisition of Crozet Alarms Limited

On 12 February 2021, the Group acquired the entire share capital of Crozet Alarms Limited for an enterprise value of £189,764.

The fair value of consideration paid in relation to the acquisition of Crozet Alarms Limited is as follows:

	£'000
Cash	225
Directly attributable legal and professional costs	9
	<u>234</u>

The fair value of amounts recognised at the acquisition date in relation to Crozet Alarms Limited are as follows:

	Fair value £'000
Fixed assets	3
Trade debtors	16
Cash and cash equivalents	35
Trade creditors	(3)
Deferred income	(75)
Social Security & Other taxes	(15)
Accruals	(4)
Corporation tax	(2)
	<u>(45)</u>
Goodwill on acquisition	279
	<u>234</u>

Immediately following the acquisition, the trade, and assets of Crozet Alarms Limited were transferred to Spy Alarms Limited, a fellow group company. As a result of this transfer, it is not possible to identify the turnover and profit before tax included in the consolidated income statement since the acquisition date.

# **Spyder Holdco Limited**

## **Notes to the Consolidated Detailed Income Statement**

**Period ended 30 June 2021**

### **24. Business combinations (continued)**

#### **Acquisition of AES Fire & Security Systems**

On 30 September 2020, the Group acquired the trade and customer contracts from a partnership that traded as AES Fire & Security Systems ("AES"), or a derivative thereof.

The fair value of consideration paid in relation to the acquisition of AES is as follows:

	<b>£'000</b>
Cash	<b>402</b>
Deferred consideration	<b>20</b>
	<hr/> <b>422</b> <hr/>

The fair value of amounts recognised at the acquisition date in relation to Crozet Alarms Limited are as follows:

	<b>Fair value</b>
	<b>£'000</b>
Deferred income	<b>(185)</b>
	<hr/> <b>(185)</b> <hr/>
Goodwill on acquisition	<b>607</b>
	<hr/> <b>422</b> <hr/>

Due to AES being an asset purchase only it is not possible to identify the turnover and profit before tax included in the consolidated income statement since the acquisition date.

# Spyder Holdco Limited

## Notes to the Consolidated Detailed Income Statement

Period ended 30 June 2021

### 25. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

#### Land & Buildings

	<b>Group 2021 £'000</b>	<b>Company 2021 £'000</b>
Not later than 1 period	133	-
Later than 1 period and not later than 5 periods	523	-
Later than 5 periods	-	-
	<u>656</u>	<u>-</u>

#### Equipment and vehicles

	<b>Group 2021 £'000</b>	<b>Company 2021 £'000</b>
Not later than 1 period	18	-
Later than 1 period and not later than 5 periods	14	-
Later than 5 periods	-	-
	<u>32</u>	<u>-</u>

### 26. Related party transactions

#### Company

All of the company's related party transactions were with wholly owned subsidiaries.

### 28. Controlling party

The ultimate controlling party is Phoenix Equity Partners LP.

### 29. Post balance sheet events

On 23 July 2021 Loan Notes issued and totalling £9,435,852 at 30 June 2021 were listed on the Guernsey stock exchange.

On 31 August 2021 the Group made the strategic acquisition of Fire Action Limited (Fire Action). This acquisition was for an upfront consideration of £4.775m, funded from a mixture of Group cash reserves and external borrowing facilities.

On 24 August 2021 Loan Notes and "A" Loan Notes with a principle and accumulated interest value of £4,000,000 were repaid to the loan note holders. This repayment was funded through a drawdown of the available unutilised banking facility,

On 7 December 2021 the Group increased its acquisition banking facility by £15,000,000. At the date these financial statements were signed this extended facility remains unutilised.

# Spyder Holdco Limited

## Notes to the Consolidated Detailed Income Statement

Period ended 30 June 2021

### 30. Net debt reconciliation

	On incorporation £'000	Cash flows £'000	Acquisition of subsidiaries £'000	Non-cash movement £'000	30 June 2021 £'000
Cash at bank & in hand	-	44,591	(41,799)	-	2,792
Bank loans	-	(16,325)	-	(452)	(16,777)
Loan notes	-	(11,436)	-	(961)	(12,397)
Preference shares	-	(17,307)	-	(1,457)	(18,764)
<b>Net debt</b>	<b>-</b>	<b>(477)</b>	<b>(41,799)</b>	<b>(2,870)</b>	<b>(45,146)</b>

### 31. Parental guarantee

The Company is providing certain wholly owned UK subsidiaries (as disclosed below and which are included within these Group consolidated financial statements) with guarantees of their respective debts in the form prescribed by Section 479c of the Companies Act 2006 ("the Act") such that they can claim exemption from requiring an audit in the accordance with Section 479a of the Act. These guarantees cover all of the outstanding actual and contingent liabilities of these companies at 30 June 2021.

Company Name	Company Number
Judge Alarms (1992) Limited	02721436
Crimefighter Alarms Limited	01790992
Crozet Alarms Limited	06404151
Stand-Fast Burglar Alarms Holdings Limited	09797547
Stand-Fast Burglar Alarm Co. (East Kent) Limited	00931136

**Spyder Holdco Limited**  
**Notes to the Consolidated Detailed Income Statement**  
**Period ended 30 June 2021**