



## **TSS (Total Security Services) Ltd**

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TSS Strategic Report 2020  
Section 172



## Introduction

T.S.S. (Total Security Services) Limited's ("the company") principal activities continue to be that of the provision of a range of security, manpower and associated support services.

## Business Review

We continue with our commitment to work according to prudent principles for the long-term benefit of shareholders, employees, and clients alike. This allows us to invest further in the company's resources to underpin profitable growth based on sound planning. The company is continually expanding its client base and the number of new enquiries from prospective clients continues to increase.

The directors are satisfied with the performance of the company. Turnover has increased by 29% to £126,727,079 (2019 - £97,973,140). As at 31 October 2020 the company had a current liquidity ratio of 1.25 (2019 - 1.94). The company continues to ensure that it conforms to consistently high standards of service delivery. Further performance indicators can be found on the statement of comprehensive income.

The company considers its key performance indicators to be its gross profit, operating profit, and net assets. Gross profit and operating profit both increased in the current year. There was a reduction in net assets as a result of the company repurchasing and cancelling 300 Ordinary shares of £1 each for a cash consideration of £8.1 million.







## Principal risks and uncertainties

### Regulatory and legislative risks

As a security provider, the company is registered and approved by the Security Industry Authority (SIA) under the Private Industry Act 2001. Multiple annual reviews are carried out by the NSI (National Security Inspectorate). The company regularly updates its policies and procedures to ensure compliance with required standards and changing legislation or regulation.

In addition, the company has an obligation to meet Health and Safety requirements, which it does through internal policies and procedures and through using the services of external specialist advisers where necessary and accreditation to ISO18001.

### Financial risk management policy

The company's financial instruments comprise cash, trade debtors and creditors, plus certain other debtors, and creditors. The main risks associated with these financial assets and liabilities are set out below.

### Credit risk

The company policy is aimed at minimising such risk, and collection of debts is actively managed to ensure that payments are received in a timely manner. The company's customers have a good payment history and therefore the directors believe the company's exposure to bad debts is not significant.

### Liquidity risk

The company is funded by way of an invoice discounting facility and operational cash generation. The liquidity risk is managed through the company's finance function. The company generates operational cash surpluses and day to day cash flow is maintained by retaining surplus cash in readily accessible bank accounts. Working capital requirements are met through the readily available cash or through the banking facilities which the company does have recourse to.





### **Market price risk**

The directors do not believe that, due to the nature of the company's principal activity, the company is exposed to significant movement in market prices of its services.

### **Global Pandemic**

The company did see a significant increase in trading as a result of the pandemic, and as a result was able to support its retail grocery clients and the initiative to feed the nation with its services that aiding in ensuring the compliance with governments guidelines was adhered to.

The company had to remain prudent in managing its finances to ensure long term sustainability. As a result, the impact to the business for both a financial and employee perspective has been minimal.

The added growth achieved from the additional work during the pandemic has been replaced with the growth of existing accounts, or the acquisition of new business, the company do not therefore expect a decline in trading performance into the future.

### **Employee involvement**

A naturally diverse, well trained, reliable, motivated, and informed management team and workforce is essential to the successful provision of a first-class security manpower service to clients of the quality served by the company. All security staff are trained in accordance with required British Standards and receive the additional specialist training required to satisfy clients' needs. Suitable and interested employees share equal opportunities for further training and career development. It is company policy to promote from within the company where possible.

The business continue to consult with employees at all levels to ensure that their feedback in taken into account during decision making processes that are likely to affect their interests. Employees are informed on a regular basis of current activities, progress and general matters of interest by various methods, including monthly management and operating meetings, scheduled visits to the sites at which they are based and the circulation of the T.S.S. newsletter.

Directors' statement of compliance with duty to promote the success of the company

As the Directors of TSS (Total Security Services) Limited we have a legal responsibility under section 172 of the Companies Act 2006 to act in the way we consider, in good faith, would be most likely to promote the company's success for the benefit of its members as a whole, and to have regard to the long-term effect of our decisions on the company and its stakeholders and in doing so must have regard to the following:

- the likely consequences of any decision in the long term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and the environment;
- the desirability of the company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the company.'

Our key stakeholders, and the ways in which we engage with them, are as follows, and are aligned with our core values of Teamwork, Innovation, Excellence, Respect, Integrity, and Potential:



### **Employees**

TSS intend to attract the best staff and management available and be the first choice, not only for our customers, but also for those seeking employment in the security profession.

We seek to continually improve and raise standards, further professionalising our industry and the role of the security officer.

People are at the heart of everything we do. We will continue to invest in both the futures of our staff and the growth and prosperity of the company, embracing new technologies and smarter ways of working we will continue to maintain our position as the UK's no1 security provider.

### **Customers and suppliers**

TSS recognise the current challenges and risks that our customers face when it comes to security. With our years of sector-based knowledge and experience, we can provide them with bespoke and associated security solutions.

Our unique combination of manned guarding resources and technological solutions allows us to create the strongest value propositions for our customers. TSS remain committed to creating long-term partnerships with our clients through our intelligence-led and innovative approach.

TSS, strive to build long standing, sustainable relationships with the suppliers to ensure mutual benefit, and always aim to be honest and transparent in line with the company culture, whilst ensuring we pay every supplier on time every time.

### **Community & Environment**

In addition to financial & technical investments, we pride ourselves on investing in the wellbeing and development of our employees whilst giving back to the communities we work in and minimising our impact on the environment.

### **Standards of Business Conduct**

The Gold Standard in Security. At TSS, we take the time to understand our clients' business and security needs. Our 30-years of experience within the security industry allows us to recommend the best solutions and provide clients with a dedicated account manager to work with.

We pride ourselves on the quality services we provide to valued partners who benefit from the wide range of services that we offer. All of which are supported by our dynamic data analytics, crime hub intelligence and innovative technological accomplishments.



## Directors' report

### Future developments

The directors' aim is to maintain the management policies which have resulted in the company's sustainability and growth in recent years.

### Research and development activities

During the year, the company conducted research and development in respect of the development of a new software application.

### Disabled employees

The company's policy is to provide equal opportunities for employees. It has always been the policy of the company to encourage, whenever practical, the employment, training and advancement of disabled employees.

**This statement was approved and signed on 30th July 2021:**

**Jamie Caplin**  
**Chief Finance Officer**  
TSS (Total Security Services) Ltd