

COMPANY REGISTRATION NUMBER: 12517041

Spyder FinCo Limited
Financial Statements
30 June 2021



Spyder FinCo Limited
Financial Statements
Period ended 30 June 2021

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Spyder FinCo Limited

Strategic Report

Period ended 30 June 2021

The directors present their strategic report together with the audited financial statements for the period ended 30 June 2021.

Business Review

The company's principal activity during the year was that of an intermediary holding company.

Future development

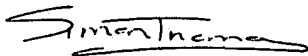
The company intends to continue to successfully manage its current investments and will seek new investments if the right opportunities arise.

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.

This report was approved by the board of directors on 16 December 2021 and signed on behalf of the board by:



Mr S G Thomas
Director

Spyder FinCo Limited

Directors' Report

Period ended 30 June 2021

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

Incorporation

The company was incorporated on 13 March 2020. The company's period end was extended to end on 30 June 2021.

Directors

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

Mr C J Neale (Appointed 13 March 2020, resigned 28 August 2020)
Mr W J Skinner (Appointed 13 March 2020, resigned 28 August 2020)
Mr T H G Howard (Appointed 28 August 2020)
Mr D Green (Appointed 28 August 2020)
Mr S G Thomas (Appointed 28 August 2020)
Mr H N DeBeer (Appointed 28 August 2020)

Results and Dividends

The statement of comprehensive income is set out on page 8 and shows the result for the year.

No interim dividends were paid to the company's shareholders during the year. 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 Company'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 Company and 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 Company remains reliant on the support of the wider Group and has obtained letters from fellow Group companies that this support will continue for at least 12 months from the approval of these financial statements. Thus, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Spyder FinCo Limited

Directors' Report *(continued)*

Period ended 30 June 2021

Directors' responsibilities statement

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

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

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

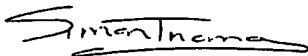
Auditor

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 company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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

This report was approved by the board of directors on 16 December 2021 and signed on behalf of the board by:



Mr S G Thomas
Director

Spyder FinCo Limited

Independent Auditor's Report to the Members of Spyder FinCo Limited

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 Company's affairs as at 30 June 2021 and of its loss for the period 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.

We have audited the financial statements of Spyder FinCo Limited ("the Company") for the period ended 30 June 2021 which comprise the statement of comprehensive income, the statement of financial position, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice)

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 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 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 FinCo Limited

Independent Auditor's Report to the Members of Spyder FinCo 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 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.

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:

- 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.

Spyder FinCo Limited

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

Period ended 30 June 2021

Responsibilities of Directors

As explained more fully in the Director's Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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 company 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:

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

Spyder FinCo Limited

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

Period ended 30 June 2021

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.

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: 16 December 2021

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

Spyder FinCo Limited

Income Statement

Period ended 30 June 2021

	Note	2021 £
Turnover		-
Cost of sales		-
Gross profit		-
Administrative expenses		(6,750)
Operating loss		(6,750)
Interest receivable and similar income	8	2,474,312
Interest payable and similar expenses	9	(2,474,312)
Loss before taxation	6	(6,750)
Tax on loss	7	(71,819)
Loss for the financial period		<u>(78,569)</u>

All the activities of the company are from continuing operations.

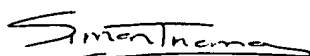
The company has no other recognised items of income and expenses other than the results for the current period as set out above.

The notes on page 11 to 16 form part of these financial statements.

Spyder FinCo Limited
Statement of Financial Position
Period ended 30 June 2021

	Note	2021 £	£
Fixed assets			
Investments	10		<u>1</u>
			1
Current assets			
Debtors	11	20,663,128	
Debtors: amounts falling after more than one year	11	<u>11,228,895</u>	
		31,892,023	
Creditors: amounts falling due within one year	12	<u>(10,512,199)</u>	
Net current assets			<u>21,379,824</u>
Total assets less current liabilities			<u>21,379,825</u>
Creditors: amounts falling due after more than one year	13		<u>(21,458,393)</u>
Net liabilities			<u>(78,568)</u>
Capital and reserves			
Called up share capital	14		<u>1</u>
Profit and loss account			<u>(78,569)</u>
Shareholders' funds			<u>(78,568)</u>

These financial statements were approved by the board of directors and authorised for issue on 16 December 2021, and are signed on behalf of the board by:



Mr S G Thomas
Director

Company registration number: 12517041

The notes on page 11 to 16 form part of these financial statements.

Spyder FinCo Limited
Statement of Changes in Equity
Period ended 30 June 2021

	Called up share capital £	Profit and loss account £	Total £
At 13 March 2020	-	-	-
Loss for the period	-	(78,569)	(78,569)
Total comprehensive income for the period	-	(78,569)	(78,569)
Shares issued	1	-	1
Total investments by and distributions to owners	1	-	1
At 30 June 2021	1	(78,569)	(78,568)

The notes on page 11 to 16 form part of these financial statements.

Spyder FinCo Limited

Notes to the Financial Statements

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 under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The company has taken advantage of the exemption to prepare consolidated group accounts because it is a 100% owned subsidiary company of Spyder Holdco Limited, which has prepared consolidated financial statements for the Group for the period.

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 Company and 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 Company remains reliant on the support of the wider Group and has obtained letters from fellow Group companies that this support will continue for at least 12 months from the approval of these financial statements. 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.

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 has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.
- (c) No disclosure has been given for the aggregate remuneration of key management personnel.

Judgements and key sources of estimation uncertainty

The preparation of 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) Intercompany loan and intercompany loan note recovery

The most critical estimates and assumptions relate to the determination of the recoverable amount of the company's loans to group undertakings. Factors taken into consideration in determining whether there are any indicators of impairment include the financial position and the expected future financial performance of that entity.

Spyder FinCo Limited

Notes to the Financial Statements *(continued)*

30 June 2021

3. Accounting policies *(continued)*

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.

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.

Taxation

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

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments.

Unrelieved tax losses and other deferred tax assets are recognised only 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 and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at the annual general meeting.

Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Provisions

Provisions (i.e., liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Spyder FinCo Limited

Notes to the Financial Statements *(continued)*

Period ended 30 June 2021

4. Auditor's remuneration

Auditor fees are borne by fellow group companies.

5. Employee notes

There are no employees other than the directors. None of whom received any remuneration from the Company.

6. Operating loss

Included in administrative expenses are the following exceptional items:

	2021 £
Loan note listing costs	<u>6,750</u>

7. Tax on loss

Major components of tax expense

	2021 £
Current tax:	
UK current tax expense	-
Group relief payable	<u>71,819</u>
Total current tax	<u>71,819</u>
Deferred tax:	
Origination and reversal of timing differences	-
Tax on loss	<u>71,819</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 £
Loss on ordinary activities before taxation	<u>(6,750)</u>
Taxation on ordinary activities at the standard rate	<u>(1,282)</u>
Adjustment to tax charge in respect of prior periods	-
Effect of expenses not deductible for tax purposes	<u>73,101</u>
Effect of capital allowances and depreciation	-
Tax on loss	<u>71,819</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%. 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.

Spyder FinCo Limited

Notes to the Financial Statements *(continued)*

Period ended 30 June 2021

8. Interest receivable and similar expenses

	2021 £
Interest on intercompany lending	1,603,129
Interest on loan notes	871,183
	<u>2,474,312</u>

9. Interest payable and similar expenses

	2021 £
Interest on intercompany borrowing	809,483
Interest on loan notes	1,664,829
	<u>2,474,312</u>

10. Investments

	Shares in group undertakings £
Cost and carrying amount	
At 13 March 2020	-
Additions	1
At 30 June 2021	<u>1</u>

On the 13 March 2020 the company acquired the entire share capital of Spyder MidCo Limited, whose registered office address is Peachey & Co LLP, 95 Aldwych, London, WC2B 4JF.

Spyder FinCo Limited

Notes to the Financial Statements *(continued)*

Period ended 30 June 2021

10. Investments *(continued)*

Subsidiaries, associates and other investments

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

	Class of share	Percentage of shares held
Subsidiary undertakings		
Spyder MidCo Limited	Ordinary	100
Spyder Bidco Limited*	Ordinary	100
Beart Howard Investments 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
Crimefighter Rentals Limited (dormant)*	Ordinary	100
Crown Fire and Security Group Limited (dormant)*	Ordinary	100
Diamond Security Centres Limited (dormant)*	Ordinary	100
Church Street Security Limited (dormant)*	Ordinary	100

*Held indirectly.

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

11. Debtors

	2021 £
Amounts owed by group undertakings	20,663,128
Loan notes receivable	11,228,895
	<u>31,892,023</u>

All the above are receivable within one year apart from the "Loan notes receivable". Loan notes receivable are due from a subsidiary, Spyder Midco Limited. These loan notes are unsecured and entitle the holder to a fixed annum coupon rate of 10%.

Spyder FinCo Limited

Notes to the Financial Statements *(continued)*

Period ended 30 June 2021

12. Creditors: amounts falling due within one year

	2021 £
Amounts owed to group undertakings	10,440,380
Corporation tax payable	71,819
	<u>10,512,199</u>

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

	2021 £
Loan notes payable	19,290,173
"A" Loan notes payable	2,168,220
	<u>21,458,393</u>

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

14. Called up share capital

Issued, called up and fully paid

	2021	
	No.	£
Ordinary share of £1 each	<u>1</u>	<u>1</u>

On company incorporation 1 Ordinary share was issued.

15. Controlling party

The immediate and ultimate parent is Spyder HoldCo Limited, whose registered office address is Peachey & Co LLP, 95 Aldwych, London, WC2B 4JF. The ultimate controlling party is Phoenix Equity Partners LP.

16. 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 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 in the Group.