WESTMINSTER
GROUP PLC

Annual Report

and Financial Statements

2024

Worldwide world class protection

THE QUEEN'S AWARDS FOR ENTERPRISE
INTERNATIONAL TRADE
2021

Mission Statement

Westminster believes all citizens of the world have the right to personal safety and security and to be free from the threats of crime and terrorism particularly when travelling.

The mission of the Group is therefore to improve security and the quality of life for people throughout the world, regardless of race, colour or creed and will do so by the provision of advanced security solutions and long-term managed services.

Westminster endeavours to achieve this goal by acting in a professional and responsible manner, treating our employees, customers, suppliers and partners with equal courtesy and respect at all times.

Vision Statement

Our vision is to build a global business with strong brand recognition delivering advanced security solutions and long-term managed services to high growth and emerging markets around the world, with a particular focus on long term recurring revenue^ business enhancing shareholder value.

About us

Westminster Group PLC is a trusted global brand delivering strategic security solutions, managed services and best in class equipment, on Land, at Sea and in the Air, to keep people safe, secure assets and maximise prosperity in high growth and emerging markets around the world.

Annual report

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Operational

- 10+ year DRC Contract finalised and signed in April 2024 worth circa $10m pa.
- Strong performance by Services Division increasing recurring revenue base.
- West Africa Airport project performed to expectations – and collaboration with Summa is working well.
- $1.7m project to upgrade security at two airports in Southeast Africa well underway with one completed.
- Our guarding business is going from strength to strength with a like for like increase of 48% in guarding hours.
- Training business delivered training at a major UK airport and continued to secure contracts globally.
- Supplied products and solutions to 68 countries across the world.
- Scanport issue resolved and recompense received for early termination.
- Martyn's Law undergoing Parliamentary scrutiny and expected to receive Royal Assent in the near future.
- In June 2024 Westminster were a main sponsor and exhibitor at the counter terrorism exhibition in London, CTX

Financial

- Revenues of £9.1m of which £7.2m was from our Services Division and £1.9m from our Technology Division
- Cost cutting exercise implemented to counter rising costs etc.
- Tidied up balance sheet
- June 2024 secured a £1.5m convertible loan note facility from a strategic investor

Post Period End

- October 2024 secured contracts with a value of over $1.2m, including circa £650,000 of recurring revenue
- Current order book of circa £1m
- Current annual recurring revenues now circa £14.3m (including DRC estimates)
- Westminster honoured with the prestigious "Best Global Aviation Security Provider 2024" award during the London Political Summit & Awards presented in the UK Parliament on October 2024.
- Enquiry levels buoyant from potential customers around the world
- Training & Guarding businesses performing well.
- £500k equity raise at 2.4p per share being the current mid-market price and issue of 500k warrants at 10p being a 4 times the current mid-market price demonstrating the investor's confidence in the future growth of the business.

"Our vision is to build a global business with strong brand recognition delivering advanced security solutions and long-term managed services to high growth and emerging markets around the world, with a particular focus on long term recurring revenue^ business enhancing shareholder value."

VISION STATEMENT

^ *This is an Alternative Performance Measure – refer to Note 2 of the financial statements for further details.*

Westminster Group PLC

Who we are

Westminster is a British security and defence organisation with international offices, agents and partner companies in over 50 countries. We solve security, safety and defence problems for governments, military, non-governmental organisations (NGOs), air and seaports, critical infrastructure and major organisations and corporations worldwide.

The Group's principal activity is the design, supply and on-going support of advanced technology security solutions, encompassing a wide range of surveillance, detection, tracking and interception technologies and the provision of long-term managed services contracts such as the management and running of complete security services and solutions in airports, ports and other such facilities together with the provision of manpower, consultancy and training services.

The Group's various operating companies are structured into two vertically integrated operating divisions, Managed Services and Technology all focussed on delivering products, services and solutions to our three key market sectors: LAND - SEA – AIR.

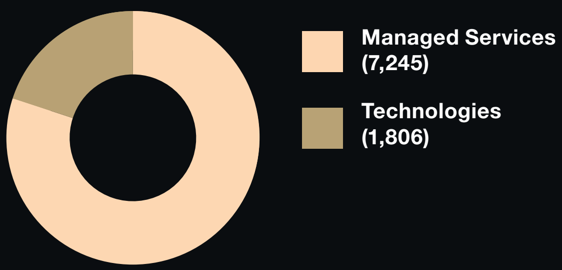
68

countries in 2023/2024

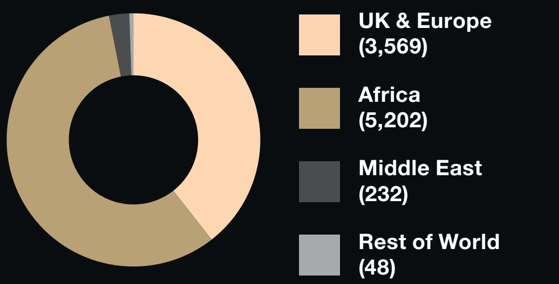
60+

agents and offices

Divisional Revenue Split (£'000)



Geographical Split of Revenue (£'000)



Westminster

Around the world

Worldwide **world class protection**

Regional Offices

UK
Westminster Group Plc
Westminster House
Blacklocks Hill
Banbury
Oxfordshire OX17 2BS
United Kingdom

France
Euro Ops International
3 rue de Bischwihr
68280 Andolsheim
France

Germany
GLIS
Gesellschaft für Luftfahrt- und
Infrastruktur-Sicherheit GmbH
Chiemsestr. 25, D – 83233
Bernau am Chiemsee
Germany

KSA
Westminster Arabia
Building No. 482
Al Orouba Road
Olaya Street
Riyadh 11531
Saudi Arabia

Sierra Leone
Freetown International Airport
Lungi
Sierra Leone

DRC
Cabinet Lohayo Ngola Patrick,
Immeuble Mirlandsis.
au No34 du Boulevard Sendwe,
Kinshasa
Democratic Republic of Congo

Strategic report

Chairman's Statement

Rt. Hon Sir Tony Baldry DL
Chairman

Overview

Whilst the world market continues to be difficult and challenging, I am pleased to report that, as laid out in the Chief Executive Officer's Strategic Report, we have managed to successfully navigate through the numerous challenges and with important new contracts, such as the airport security project in the Democratic Republic of Congo ("DRC"), now in place we have reached an important inflection point. Whilst the significant long-term recurring revenues from the DRC contract and others recently secured, are not reflected in the current period revenue results of £9.1m the tremendous amount of work and effort required to secure these contracts should be recognised.

We have now reached a point in our growth strategy where going forward we will see profitable trading and a significant increase in recurring revenues from multiple customers in numerous locations, all from existing contracts and a framework to build on this success.

Westminster Group PLC has changed its accounting reference date and financial year end from 31 December to 30 June. These accounts are for 18-months to 30 June 2024 whereas the comparatives are for the 12-months to 31 December 2022, therefore the amounts presented in the financial statements are not entirely comparable.

The reason for the change of accounting reference date is to, inter alia, better align the Group's reporting periods with the financial dynamics of the long-term contracts signed within the managed services business over recent times, along with targeted further growth in this particular division.

Like many companies we have also had to deal with increasing costs of energy, manpower and equipment, which we have done with careful cash management and cost reduction programmes.

Corporate Conduct

As a company whose shares are traded on the AIM market of the London Stock Exchange, we recognise the importance of sound corporate governance throughout our organisation, giving our shareholders and other stakeholders including employees, customers, suppliers and the wider community confidence in our business. We endeavour to deliver on our corporate Vision and Mission Statements in an ethical and sensitive manner irrespective of race, colour or creed. This is not only a requirement of a well-run public company but makes good commercial and business sense.

In my capacity as Chairman, I have ultimate responsibility for ensuring the Board adopts and implements a recognised corporate governance code in accordance with our stock market status. Accordingly, the Board has adopted, and is working to, the Quoted Companies Alliance (QCA) Corporate Governance Code 2018. The Chief Executive Officer (CEO) has responsibility for the implementation of governance throughout our organisation, commensurate with our size of business and worldwide operations.

The QCA Corporate Governance Code 2018 has ten key principles and we set out on our website how we apply those principles to our business, and more detailed information is provided in these accounts.

We operate worldwide with a focus on emerging markets and in a sector where discretion, professionalism and confidentiality are essential. It is important that we maintain the highest standards of corporate conduct. The Corporate Governance Report in this annual report sets out the detailed steps that we undertake to ensure that our standards, and those of our agents, can stand any scrutiny by Government or other official bodies.

"It is important that we maintain the highest standards of corporate conduct."

Corporate and Social Responsibility

As a Group, we take our corporate and social responsibilities very seriously, particularly as we operate in emerging markets and in some cases in areas of poverty and deprivation. As highlighted in the CEO Report we are building on our environment, social and governance strategies. I am proud of the support and assistance we as a business provide in many of the regions in which we operate, and I would like to pay tribute to our employees and other individuals and organisations for their generous support and contributions to our registered charity, the Westminster Group Foundation. We work with local partners and other established charities to provide goods or services for the relief of poverty or advancement of education or healthcare making a difference to the lives of the local communities in which we operate. For more information or to donate please visit www.wg-foundation.org.

Employees and Board

Our overriding priority however is and has been the safety and wellbeing of our people around the world and to continue to provide a valuable service to our customers. To those ends, we put in place various precautionary measures, including cost reductions and are undertaking regular risk assessments for all areas of our business.

I would finally like to extend my appreciation to our investors for their continued support and to our strategic investors who are bringing their expertise to help deliver value for all.

Rt. Hon Sir Tony Baldry DL
Chairman

5 November 2024

Strategic report

Chief Executive Officer's Report

Peter Fowler
Chief Executive Officer

Business Description

The Westminster Group is a global integrated security services company delivering niche security solutions and long-term managed services to high growth and emerging markets around the world, with a particular focus on long term recurring revenue business.

Our target customer base is primarily governments and governmental agencies, critical infrastructure (such as airports, ports & harbours, borders and power plants), and large-scale commercial organisations worldwide.

We deliver our wide range of Land, Sea and Air solutions and services through a number of operating companies that are currently structured into two operating divisions, Services and Technology, both primarily focused on international business as follows:

Services Division
Focusing on long term (typically 10 – 25 years) recurring revenue contracts such as the management and operation of security solutions in airports, ports and other such facilities, together with the provision of manpower, consultancy and training services.

Technology Division
Focusing on providing advanced technology led security solutions encompassing a wide range of surveillance, detection, tracking, screening and interception technologies to governments and organisations worldwide.

In addition to providing our business with a broad range of opportunities, these two divisions offer cost effective dynamics and vertical integration with the Technology Division providing vital infrastructure and complex technology solutions and expertise to the Services Division. This reduces both supplier exposure and cost and provides us with increasing purchasing power. Our Services Division provides a long-term business platform to deliver other cost-effective incremental services from the Group.

We have a successful track record of delivering a wide range of solutions to governments and blue-chip organisations around the world. Our reputation grows with each new contract delivered - this in turn underpins our strong brand and provides a platform from which we can expand our business.

Overview

We continue to battle against probably one of the worst world economic and political backgrounds in recent times and the period in question has been a time of both challenges and achievements.

Challenges due to global instability, largely as a result of the Russian invasion of Ukraine and conflict in the Middle East, and the resulting global economic turmoil and financial uncertainty, which continues to impact governments and businesses spending plans with the inevitable knock-on delays on contract awards. Like many companies we have also had to deal with increasing costs which we have navigated with careful cash management and cost reduction programmes.

> **"We have a successful track record of delivering a wide range of solutions to governments and blue-chip organisations around the world."**

^ *This is an Alternative Performance Measure – refer to Note 2 of the financial statements for further details.*

In terms of achievements one of the main highlights for the period was the finalisation of the long anticipated contract for DRC airports which was signed at a formal ceremony in April 2024. Despite the transitional period taking longer than anticipated due to the country's internal procedures and bureaucratic processes and no revenues from this contract being reflected in the reporting period, the 10+ year contract is expected to generate revenues of circa US$10m in the first 12 months of operation alone, with significant scope for growth. This, together with existing and new contracts provides a solid foundation for significant revenue and earnings growth for 2025 and beyond.

In view of the above I am pleased to report therefore that, despite the global uncertainty and economic challenges, our Services Division has performed well whilst our Technology Division revenues were impacted and down on the prior period. However, the strong performance of our various services revenue streams demonstrates our strategy of building a business built on a diverse base of recurring revenue streams from multiple customers in different parts of the world, is on track and underpins our confidence in our future growth and performance. Accordingly, we have decided to take a prudent look at our balance sheet and the carrying values of certain assets such as the Sierra Queen and RiverFort debt etc. and mark these down to market and take provisions in this period. We do however expect to recognise values from such assets in future years. Further information on this can be found in notes 18 and 28.

Accordingly, in the period we delivered revenues of £9.1m of which £7.2m was from our Services Division and £1.9m from our Technology Division. Gross margin increased to 60%. Exceptional write downs amounted to £2.28m. The Group's loss from operations was £1.93m. When adjusted for the exceptional and non-cash items, depreciation and amortisation, the Group recorded an EBITDA^ loss from underlying operations of £1.47m of which £1.30m are costs related to project development, legal costs and project start-up expenses.

In summary, despite reduced technology sales in the period, we secured important new contracts significantly increasing our annualised recurring revenue streams, we continued to see important return customers demonstrating brand loyalty, we continued to develop our pipeline of new large-scale opportunities including some exciting new large-scale, long-term prospects, we resolved a number of outstanding issues including a prudent balance sheet review and we invested in our business and new projects establishing a platform for profitable future growth in the year and years ahead, as detailed in our Divisional Review below

Divisional Review

Services Division

Our Services Division and the growing recurring revenue base we are building is a key element to our future growth. The period in question delivered revenues of circa £7.2m and these together with new contracts coming on stream will provide significant growth, both in terms of revenues and earnings, for 2025 and beyond, underpinning the strategy we have been following.

Our aviation security business continues to perform to expectations, and we are encouraged not only by the performance of our current operations but also with the various new opportunities we have and are developing, for which much credit is due to our operational and business development teams operating around the world.

A key development and expansion of our aviation security business is the ratification of the long-awaited contract for the Democratic Republic of Congo ("DRC") airports which was signed at a formal ceremony in Kinshasa, DRC on 11 April 2024 during the UK - DRC Trade and Investment Mission, by board representatives of both Westminster and the airport authority, La Regie Des Voies Aeriennes ('RVA'), in the presence of various government officials and dignitaries including Lord Popat, the UK Prime Minister's Trade Envoy; John Humphrey, His Majesty's Trade Commissioner for Africa; HE Alyson King OBE, HM Ambassador to the DRC; and HE Ndolamb Ngokwey, Ambassador of the DRC to the United Kingdom.

"Our aviation security business continues to perform to expectations, and we are encouraged with various new opportunities"

The contract, which is for an initial period of 10 years, with a five-year renewal, thereafter, is to provide comprehensive ground security operations, initially at four international airports and one national airport in the DRC. Despite the transitional period taking longer than anticipated due to the country's internal procedures and bureaucratic processes we are active on the ground undertaking various activities and based on current international embarking passenger levels, the contract is expected to generate revenues of circa US$10m in the first 12 months of operation alone. In addition, there is an opportunity under the contract for further revenues, in due course, from domestic traffic and cargo screening operations.

Strategic report

Chief Executive Officer's Report

Westminster is providing the investment and expertise required to upgrade security at the airports. This not only includes the provision of advanced detection, surveillance, and screening equipment, but also the maintenance, training and various support services required to ensure DRC's airport security is run to the highest international standards. This enhancement in airport security will assist the authorities in DRC in developing and maintaining world-class airport security services, opening up the potential for growth in air traffic by attracting new international carriers and commercial enterprises to the region.

DRC is a key addition to our international aviation security services, and we believe the country has exciting growth potential. With a surface area equivalent to that of Western Europe it is, by area, the largest country in sub-Saharan Africa, the second largest in all of Africa, and the 11th-largest in the world. It is also the most-populous Francophone country in the world. Air travel is therefore an important and a necessary requirement within this vast country. The country is extremely rich in natural resources and has the potential for sizeable economic growth. I look forward to Westminster having a long-term presence in the country and in playing our part in the successful growth and security of the country's numerous airports.

Our West African airport operation and collaboration with Summa is working well and has been a positive development. With potential new airlines opening up new routes including a new direct flight to the UK once again we expect this contract to continue to be a valuable part of our business.

During the period we continued to provide post pandemic aviation security (AVSEC) training to staff at a major UK airport and have secured contracts for AVSEC training in other airports around the world, expanding our network of potential managed services opportunities for the future.

Our $1.7million project to upgrade security at two airports in Southeast Africa, funded by the European Investment Bank (EIB), is now well underway with one airport completed and the other well advanced. We are now in discussions with the relevant authorities regarding moving to a long-term managed services contract for these two airports, under a new agreement, once the current installation works have been completed.

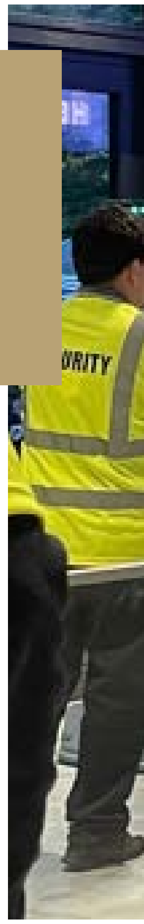
I am pleased to report we have made significant strides forward with several of the large-scale, long-term managed services airports and ports opportunities each of which, as and when secured, would provide multi-million-pound step changes in annual revenues. It is always difficult to accurately predict timing for such projects, which are complex and can involve various bodies in bureaucratic processes however we hope to finalise one such opportunity before the end of 2024 or early in 2025.

Our guarding business is going from strength to strength with a like for like increase of 48% in guarding hours and the new contract to provide comprehensive security concierge services announced in October 2024 will significantly enhance this activity.

As previously reported, we have been waiting for our client to resolve the land issues for the construction of the new container port storage and inspection complex in West Africa, for which Westminster have been contracted to provide the screening operations under a contract, signed in June 2021. However, this land issue is still unresolved and the project remains in abeyance.

We announced in November 2022 that the relationship with our local partners, Scanport, regarding our Ghana port project had become increasingly strained and that we were looking to resolve matters through mediation to include accelerated receipt in recompense for early termination, which would free up resources for the new large-scale projects. This has now been fully resolved and dealt with in discontinued items in the accounts.

> **"Our West African airport operation and collaboration with Summa is working well and has been a positive development."**



Technology Division

The Technology Division delivered revenues of circa £1.9m in the period down from the previous period, largely as a result of the global uncertainty. The ongoing global economic situation continues to create challenges, not just with increasing costs but significantly with some economies suffering substantial currency devaluation, in turn leading to currency restrictions and in some places civil unrest. This has understandably led to some order delays, particularly with larger capital-intensive projects. Not-with-standing these challenges during the period we delivered products and services to 68 countries around the world. I am now happy to report the situation is improving with visibility over a growing pipeline and we fully expect some if not all of the delayed orders and backlog to eventually be secured.

Westminster group recognised as best Global Aviation Security Provider at the 2024 London Political Summit

Strategic report

Chief Executive Officer's Report

In addition to building our international operations and to provide some resilience against world events, we have been undertaking a strategy of developing a significant UK presence with an enviable blue-chip client base, such as the Palace of Westminster, Scottish Parliament, Tower of London, UK Border Force, UK Prisons, to name but a few, all of which are performing well and which provide resilient recurring revenue streams. I am pleased to report we are discussing expanded operations with such customers.

We have previously reported on the opportunities for our business that we anticipate could arise from the long-expected Martyn's Law legislation. Martyn's Law is named after Martyn Hett, who at 29 years was killed in the Manchester Arena terrorist attack in May 2017. Martyn's mother, Figen Murray, has been a tireless campaigner and the force behind Martyn's Law legislation that will require many businesses giving access to the general public, to formally assess and take measures to address terrorism risks for the first time. Martyn's Law is set to have a profound and lasting effect on security provision in the UK – encompassing Publicly Accessible Locations (PALs) and requiring them to actively protect visitors and staff with appropriate levels of security. The Home Office estimates that 650,000 UK businesses could be affected by Martyn's Law, and this offers substantial business opportunities for Westminster's extensive portfolio of products and services. Whilst this was originally included in the Kings Speech on 7 November 2023 the change of government delayed progress. We are pleased to see the Bill was reintroduced following the Kings speech on 17 July 2024 and is currently undergoing Parliamentary scrutiny with cross party support and the expectation is it will receive Royal Assent in the near future.

The forthcoming Martyn's Law Legislation offers substantial business opportunities for Westminster and have already secured important new contracts for Mass Screening at key UK venues."

We have already assisted a number of key-customers and landmark buildings with equipment and solutions to prepare for the forthcoming legislation and we are active in developing further opportunities and to be recognised as a leading provider of solutions under the legislation.

Our German subsidiary, GLIS, situated to the Southeast of Munich, is focussed on supplying security technology and solutions to the European market. Post Brexit the business is particularly well positioned to serve the Group's EU clients.

The team continues to secure a number of important new clients and is developing substantial business opportunities in the region.

Our French business, Euro Ops, continues to be a valuable strategic addition to the Group. The company provides aviation focussed services such as humanitarian flights and logistics, emergency flights, flight operations, charter and storage management. The company has not only brought new skills, services and revenues to the Group but provides greatly improved access to Francophone countries for the wider Group services.

In June 2024 Westminster were a main sponsor and exhibitor at the counter terrorism exhibition in London, CTX, Throughout the expo, we showcased our latest innovations in security solutions, aimed at enhancing public safety and counter-terrorism efforts worldwide. Westminster brought together leading suppliers of advanced security technology including Rohde & Schwarz, Linev, Apstec, Evolv, Detectachem, and many others creating a unique stand for visitors from around the world to see and experience a range of leading security solutions. The event created a lot of interest in our solutions, and we are currently in discussions with a number of high-profile organisations as a direct result of that expo.

We have also once again begun hosting various governmental and corporate clients at our demonstration grounds and facilities in the UK. This is something we did regularly pre-covid and which was an excellent way to build customer relationships and secure meaningful business. During covid this activity ceased for obvious reasons, and I am encouraged to see various delegations once again visiting our operations in the UK and would expect to see meaningful business being secured accordingly.

Summary

We are making good progress on delivering our strategy of building a resilient business based on multiple revenue streams, many of which are from long-term recurring revenue contracts, from multiple customers, in multiple jurisdictions.

On a wider front, despite the challenges we have continued to progress various existing and new transformational large-scale managed services project opportunities around the world which can and will provide step changes in growth should they be secured. No two opportunities are the same and each can have their own idiosyncrasies and challenges. As we have previously advised, project opportunities of this size and nature, particularly in emerging markets, are not only time-consuming and involve complex negotiations with numerous commercial and political bodies, but discussions can ebb and flow over many months, with periods of intense activity which can be followed by long periods of inactivity. It is however precisely because of such challenges that competition is limited and the opportunities offer transformational growth opportunities.

Whilst there is never certainty as to timing or outcome of the many project opportunities we are pursuing, we are making progress on a number of fronts, however due to the nature of the projects and the numerous bodies involved it is notoriously difficult to forecast timing of any contract award. I know this can be frustrating at times but the upside of securing such contracts with long-term, high margin recurring revenues is worth the efforts. We obviously cannot provide regular updates or details on contract negotiations, but we will provide market updates on material developments when appropriate and in line with our regulatory responsibilities.

In summary, despite the various challenges and in some cases because of them, Westminster continues to move forward.

Strategy

Our vision is to build a global business with strong brand recognition delivering advanced security solutions and long-term managed services, on Land, at Sea and in the Air, primarily to high growth and emerging markets around the world, with a particular focus on building multiple revenue streams, many of which involve long term recurring revenue business, from diverse sources in varying parts of the world, providing a degree of resilience to external events and enhancing shareholder value.

The Board considers strategy at each regular Board Meeting and has from time to time 'off-site' strategy days to review the Company's rolling five-year Strategic Growth Plan and to consider new short-, medium- and long-term strategies that could be implemented to achieve our goals and to deal with changing global and economic issues.

As part of our strategy for growth, we will also continue to improve and enhance our Board and senior management team broadening our range of experience and expertise. If we are to maximise the substantial growth opportunities we are developing, particularly with our managed services operations, it is essential we have the right strategies, people, processes and systems in place to successfully deliver such growth.

"Our vision is to build a global business with strong brand recognition delivering advanced security solutions on land at sea and in the air"

Whilst we still believe that the opportunities we have been developing, primarily in emerging and high growth markets, are what will deliver exponential growth over the next few years, these can and do take time to develop and as we have seen, can be disproportionately impacted by global, regional and local events. Accordingly, one of the strategies we are now developing is to balance some of that risk by building more core business in the UK and developed world areas.

We are also looking to expand our global footprint through the development of our agent network and through strategic joint ventures (JVs) in key markets and regions, and we believe that this strategy will enable the Company to expand its sphere of operations in a controlled and cost-effective way.

Due to the Company's share-price concerns, the perceived current lack of liquidity, the cost of capital and ongoing listing costs; concerns which are shared by many listed companies of various sizes, the Board is undertaking a strategic review on how to improve shareholder value. The results of this review will be communicated to shareholders in due course.

Our risk strategies are developed from our Risk Committee who hold regular meetings and report to the Audit Committee. Mitigation and risk strategies are then developed to address potential risks, as we successfully did during the Covid pandemic. Covid is of course not the first and will not be the last external challenge for which we need to have strategies in place to deal with. In 2014, the world experienced the West African Ebola outbreak which caused huge problems for the region, and now the Russian invasion of Ukraine has world-wide implications. I am confident the strategies we have now and will further put in place, together with our diverse business model, will help us not only manage the challenges but seek new opportunities from them.

Chief Executive Officer's Report

Environment, Social, & Governance (ESG) Strategy

The Westminster Group takes its corporate and social responsibilities very seriously and recognises that sustainability across our various business sectors is important to us and our future growth, important to our shareholders and wider stakeholders. The various ways in which we currently monitor and undertake governance, including environmental and social responsibilities of our business, are laid out in the Corporate Governance Report on pages 38-49 of this annual report.

We take our social responsibilities very seriously including supporting the communities in which we operate and, in this respect, have our own registered charity – the Westminster Group Foundation – see here www.wg-foundation.org. Since 2007, the Westminster Group has assisted and been involved with community work in Sierra Leone. This includes building new schools, extending existing schools, providing school uniforms, implementing water harvesting systems and solar panels, and through the Ebola and COVID pandemics providing essential food supplies. The latest school was completed September 2023 and is located at Kono Town. In recognition of the support given by the Westminster Group, it is named "Westminster Community Secondary School". In July 2024, we also became a Corporate Member of Rotary in Banbury, enabling our staff to volunteer to help Rotary in our community

Our work on ESG includes activities such as preparing detailed social environmental impact reports for each airport in our new project in DRC. We take our environmental responsibilities seriously and look to minimise our carbon footprint, for example by use of electric vehicles where possible. As an international business, travel has always featured heavily in our business activities. One thing the recent pandemic lockdowns have demonstrated is that some of this travel can be replaced by remote meetings and conference by systems such as Microsoft Teams and Zoom, which has now become commonplace and far more accepted across the world. Accordingly, we intend to focus, where possible, on reducing travel by continuing with remote meetings. Where international travel is still necessary, we are investigating carbon offset programmes. We are also working towards ISO 14001 Environmental Management (EMS).

Performance Indicators

The Group constantly monitors various key performance indicators for factors affecting the overall performance. At Group level, the revenues and gross margin are monitored to give a constant view of the Group's operational performance. A key focus for the Group is in building its recurring revenue base from contracted income relating to its managed services, maintenance and guarding contracts, and this is a key metric being monitored. Employment is the single largest cost base for the Group, the costs are strictly monitored to ensure best use of resources. Days Sales Outstanding is used to measure the cash conversion of revenue and identifies debtor aging issues.

The Services Division measures its performance in the four key areas of its deliverables – passengers served in its airport operations, the number of days training delivered by our training businesses and the number of guarding hours delivered by our guarding businesses.

The Technology Division measures its sales activity by reference to the number of enquiries received per month and the number of orders received. The number of countries served and number of return customers are monitored to give a view on the performance of the division. The material increases in guarding hours delivered is an indicator of the strong growth by this part of our business

Current Trading & Business Outlook

The business outlook is encouraging. Despite the challenges of recent years and the ongoing global instability and the resulting global economic turmoil and financial uncertainty we have built a solid foundation for our business and we will enter 2025 with greatly increased revenues from contracts already secured.

Our work on the DRC contract is progressing well as is the Southeast Africa airport project bringing 5 more airports into our portfolio and significant ongoing revenues for future years to come.

Our West African airport operations and collaboration with Summa is working well and has been a positive development. With potential new airlines opening up new routes including a new direct flight to the UK once again, we expect this contract to continue to be a valuable part of our business.

We continue to invest in our worldwide business development programmes in order to deliver on our growth potential, particularly in our long-term major managed services projects. We believe that we will secure one more long-term managed services contract in the near future and have every expectation of at least one more in 2025, each producing a multi-million dollar step change in revenues.

Our training business continues to secure new contracts around the world and our guarding business is going from strength to strength.

As mentioned in the Divisional Review above we believe the forthcoming Martyn's Law legislation will become law in the near future which we believe is a significant opportunity for our business and we look to build on the work we have done preparing for this and the successful contracts already secured which will place us in a strong position to secure more meaningful business in 2025 and beyond.

We continue to have healthy enquiry levels for our products and services from customers around the world and are currently seeing an improvement in our technology business. We traditionally secured one or two large-scale multi-million USD Technology solution sales projects each year although this has proved more challenging over the past couple of years due to customer spending constraints. However, we do have several potential projects in the pipeline, which despite ongoing global turbulence, we have good reason to believe one or more may materialise in 2025.

In June 2024 we secured a £1.5m convertible loan note facility from a strategic investor to aid growth, £1m of which has been drawn down in the period together with a post period equity raise of £500k at 2.4p per share being the current mid-market price and issue of 500k warrants at 10p being four times the current mid-market price from the same investor demonstrating their confidence in the future growth of the business.

In October 2024 we announced that we had secured several contracts with a combined value of over $1.2million, including a contract to provide comprehensive security concierge services on an annual basis across a number of prominent sites in the United Kingdom starting at circa £650,000 per annum in the first year. The Company is additionally in discussions regarding security solutions for some of the Customer's sites elsewhere in the world, which we hope will result in additional contracts.

In October 2024 Westminster was also honoured with the prestigious "Best Global Aviation Security Provider 2024" award during the London Political Summit & Awards in recognition of the contribution made by Westminster to aviation security around the world. The award was presented in the UK Parliament, House of Commons by Her Excellency Fatima Maada Bio, First Lady of Sierra Leone, who also served as a special guest speaker at the event. This three-day summit brought together influential political and business leaders from across Africa and the UK and has already led to interest in Westminster's services from a number of the attendees.

We are focussed on building a resilient business based on multiple revenue streams, many of which are from long-term recurring revenue contracts, from multiple customers, in multiple jurisdictions, which is and will continue to be a key growing strength of our business.

We have a current order book of circa £1m and annual recurring revenues of circa £14.3m (including DRC estimates) with the potential to materially increase this through additional new contracts in the year ahead.

Whilst remaining mindful global events can still impact business outlook and despite the global challenges and setbacks we have experienced, the foregoing outlining the recovery and growth we are seeing in our various businesses, together with our business model and the opportunities we have been developing and investing in over the years underpin our confidence for the future long-term growth and success of our business.

Peter Fowler
Chief Executive Officer

5 November 2024

"Our people are our most valued asset, and we recognise that a happy and motivated workforce is important. We are an equal opportunities employer and endeavour to treat all our staff, equally, fairly and to assist them reach their maximum potential."

Chief Executive Officer's Report

Group	30th June 2024	31st December 2022
Revenue	£9.1m	£8.5m
Gross Margin	60%	54%
Recurring Revenues as a % of revenues	78%	58%
Days Sales Outstanding	53	30
Number of Employees	236	256
Average Employee Cost Per Head Annualised	£18,661	£17,016

Services Division	30th June 2024	31st December 2022
Passengers Served ('000)	188	124
Training Hours Delivered	6,808	5,906
Guarding Hours Delivered	85,408	38,508

Technology Division	30th June 2024	31st December 2022
Average Enquiries Per Month	205	168
Average Number of Orders Per Month	42	44
Number of Countries Supplied	68	60
Number of Return Customers	536	370

Chief Financial Officer's Report

Mark L W Hughes
Chief Financial Officer

Revenue

30 June 2024 18 month revenues of approximately £9.1m (12 months to 31 Dec 2022 restated: £8.5m) are down due to a reduction in technology sales in the period due to global instability and the resulting global economic turmoil and financial uncertainty, causing governments and businesses to delay capital-intensive spending. It is particularly noticeable that large projects continued to be delayed awaiting confidence that the world is returning back to more normal times. 2022 has been restated to take into account discontinued activities refer note 28.

Services revenues for the period was strong at £7.2m (31 Dec 2022 restated: £5.3m). Services particularly those relating to recurring revenue is a key element to our future growth. Guarding revenues continued to be robust as new jobs came on stream.

Westminster's Technology Division revenues were down to £1.9m (31 Dec 2022: £3.2m) largely due to lack of larger value solution sales although there are a number of potential projects in the pipeline that may benefit future trading.

Gross Margin

Gross Margin Percent rose to 60% (31 Dec 2022: 54%). This was primarily due to a mix effect as higher margin Services increased against the decline in lower margin (10% to 15%) Technology sales.

Operating Cost Base

When you take into account that 2024 is an 18-month period as opposed to 2022 which was 12 months the run rate of group administrative costs reduced by 11%. The actual number for 18 months was £7.4m (31 Dec 2022 (12 months): £5.5m) in total. Strong cost reduction and tight control overcame the general inflationary background.

Reconciliation to EBITDA^ from underlying operations before discontinued operations	30th June 2024	Restated 31st Dec 2022
	£,000	£,000
Loss from operations	**(1,929)**	(735)
Depreciation, amortisation and impairment charges	**389**	252
Reported EBITDA	**(1,540)**	(483)
Share based expense	**67**	-
Exceptional items	**-**	-
EBITDA^ from operations	**(1,473)**	(483)

^ This is an Alternative Performance Measure refer to Note 2 for further details.

Operational EBITDA^ from underlying continuing and discontinued operations

The Group's loss from operations was £1.9m (31 Dec 2022: £0.3m). When adjusted for the exceptional and non-cash items and depreciation and amortisation, as set out below, the Group recorded an EBITDA^ loss from underlying operations of £1.5m (31 Dec 2022: £0.1m loss).

Finance Costs

Total finance costs for 30 June 2024 £0.2m (31 Dec 2022: £0.0m). There was an underlying cash charge of £0.2m (31 Dec 2022: £0.0m).

Earnings Results for the Period

The Group total loss before taxation including discontinued activities was £4.4m (31 Dec 2022: £0.4m). The Group loss after tax was £4.4m (31 Dec 2022: £0.0m loss) and the loss per share was 1.32p (31 Dec 2022: 0.00p). Having reviewed a number of longstanding issues we have decided for the purpose of the accounts write off or mark to market as appropriate. We still believe that in the fullness of time the assets will recover to close to their current true levels. However, we feel with no concrete way of demonstrating that, we have taken a sensible prudent approach at this time . Further information can be found in notes 18 & 28.

Statement of Financial Position

The Group's gross assets amounted to £7.4m on 30 June 2024 compared with £10.0m on 31 December 2022. The main movement was funding the losses.

The Group's current assets amounted to £3.8m on 30 June 2024 (31 Dec 2022: £5.6m) for the same reasons as the change in total Group assets.

The Group's trade and other receivables balance as at 30 June 2024 was £2.2m (31 Dec 2022: £4.8m). Average days sales outstanding at the period-end were 53 (31 Dec 2022: 30). The 2022 debtor days were improved by the large solution sale close to the period end. 2024 should be compared to the similar level of 57 days at the end of 2021.

Cash and cash equivalents were £1.0m at 30 June 2024 compared with £0.3m at 31 December 31 Dec 2022. Following the raising of a loan just before the year end.

Trade and other payables were £2.0m (31 Dec 2022: £2.5m) and average creditor days were 106 (31 Dec 2022: 51).

A deferred tax asset of £1.2m (31 Dec 2022: £1.3m) was held at the period end.

Total equity on 30 June 2024 stood at a surplus of £3.1m (31 Dec 2022: £7.4m).

Key Performance Indicators

The Key Performance Indicators by which we measure performance of our business are set out in the Chief Executive Officer's Report on page 16.

Equity Isuues

There were no equity issues in the period to 30 June 2024 (31 Dec 2022: Nil).

The Company has granted a total of 16,700,000 share options over ordinary shares of 0.1p each ("Ordinary Shares") in the Company with an exercise price of 1.95p pence per Ordinary Share (being the closing middle market price of an Ordinary Share on 12 January 2023). The new share options have been awarded under the Company's 2017 Share Option Scheme to the Directors plus certain UK based and overseas employees. As at 30 June 2024, 1,100,000 of these options had already lapsed leaving 15,600,000 outstanding.

Summary of Warrants

As at 30 June 2024 there were no warrants outstanding. The 170,455 warrants held by S P Angel lapsed on 31 January 2023 and the 3,499,222 warrants held by RiverFort lapsed on 21 January 2024.

"Strong cost reduction and tight control overcame the general inflationary background"

Chief Financial Officer's Report

Cash Flow Statement

During the period, the Group had an operating cash outflow of £0.9m (31 Dec 2022: outflow £0.7m) which arose from the loss and a favourable working capital movement of £0.6m (31 Dec 2022: £0.6m adverse) primarily due to write offs in discontinued operations offset by the loss.

During the period, the Group raised nothing from the issue of new equity (31 Dec 2022: Nil).

Reconciliation from adjusted EBITDA^ to normalised operating cash flow	30th June 2024	Restated 31st Dec 2022
	£,000	£,000
Adjusted EBITDA^	**(1,473)**	(483)
Loss on asset disposal	**-**	(4)
Net changes in working capital	**2,846**	(569)
Movement on tax	**41**	354
Net Cash used in underlying operating activities	**1,414**	(702)

Net cash generated / (used) in underlying operating activities is presented excluding exceptional items, share options expense, and depreciation and amortisation.

Principal risks and uncertainties

The principal risk and uncertainties facing the Group are outlined on pages 24 to 27.

Going Concern

The assessment of Going Concern is summarised in the Directors' Report on page 63.

Events after the Reporting Period

These are fully set out in note 29 on page 115.

Mark L W Hughes
Chief Financial Officer

5 November 2024

^ *This is an Alternative Performance Measure refer to Note 2 for further details.*

Risk Management

Risk Management

Westminster, as a specialist security and managed services group operating in an international environment, primarily emerging markets, is exposed to a variety of risks and uncertainties which are monitored and controlled by the Group's internal risk management framework.

Overall responsibility for risk management lies with the Board who ensure that risk awareness is set at an appropriate level.

To ensure that risk awareness is set at an appropriate level the Board has delegated responsibility for the risk identification and assessment to a Risk Committee comprising of Executive Directors and Senior Management.

The Risk Committee is responsible for identifying risks, defining the Group's risk management strategy and maintaining the Group's Risk Register.

The Risk Committee liaises with Divisional Management to help identify operational and commercial risks and to ensure Divisional Management undertake agreed mitigation strategies.

The Risk Committee reports to the Audit Committee and the Audit Committee is responsible for reviewing the adequacy and effectiveness of the Group's risk management systems and the Risk Register.

The Chairman of the Audit Committee reports to the Board on risks and risk management.

The Board reviews the Audit Committee reports on a regular basis and considers whether the Risk Management Committee has appropriately identified the principal risks and mitigation strategies to which the Group is exposed.

The Board monitors the Group's risk management systems through this consultation and also through the Group's divisional monthly management meetings, where at least two executive Directors are present. The risks and trends are a focus of each division's monthly management meeting, where their performance is also assessed against budget, forecast and prior period. In addition, key performance indicators are used to benchmark operational performance for all operations.

While it is acknowledged that the Group faces a variety of risks, the Board, through the processes set out above, has identified the principal risks and uncertainties that could potentially impact upon the Group's short to medium term strategic goals and these are shown below, together with how we manage or mitigate them:

Risk Management Responsibilities and Reporting Structure

Risk Management Committee

The Committee's Terms of Reference were last reviewed and approved by the Board on 1 October 2024 and can be viewed on the Corporate Governance section of the Company's website (www.wsg-corporate.com).

The Terms of Reference are reviewed by the Board annually and amended where appropriate.

The Committee will be appointed by the Board and should be a balance of executive directors and senior management.

The purpose of the Risk Management Committee (the "Committee") is to perform centralised oversight and policy setting of risk management activities and to provide communication to the Audit and Risk Committee which communicates with the Board of Directors (the "Board") of the Westminster Group (the Company) regarding important risks and related risk management activities. The Committee's key areas of responsibility are:

- Oversight of risk;
- Adherence to internal risk management policies and procedures;
- Compliance with risk-related regulatory requirements;
- External risk assessments in relation to the group's international business; and
- Maintenance of the Group's Risk Register.

The Committee monitors the Group's risk management and internal control processes through detailed discussions with management and executive directors, the review and approval of the reports and position papers which focus on the areas of greatest risk to the Group.

As part of its standing schedule of business, the committee carried out an annual risk assessment of the business to formally identify the key risks facing the Group. Full details of this risk assessment and the key risks identified are set out in the Risk & Risk Management section of this Annual Report on pages 22 to 27.

Committee Membership

The current Risk Management Committee members are:

- **Peter Fowler (Group CEO) (Chair)**
- Mark Hughes (Group CFO)
- Stuart Fowler (Group COO)
- Joanna Fowler (Head of Managed Services Division)
- Hamish Russell (Commercial and General Manager)
- Lorraine Hellend (Head of Sales)
- Niall O'Brien (Head of Marketing and Strategy)

The Board considers that the committee as a whole has an appropriate and experienced blend of commercial, financial and industry expertise to enable it to fulfil its duties.

The principal risks and uncertainties which could have a material impact on the Group's business, performance or reputation are set out below. The principal risks are identified by the Risk Management Committee based on the likelihood of occurrence and the potential impact on the Group as a whole.

In addition to the risks disclosed below, the Risk Management Committee monitors and manages a wide range of other risks to which the Group may be exposed

Risk Flags

Flag	Likelihood	Impact
Green	Unlikely	Will have an impact but easily dealt with
Orange	Possible	Impact will be moderate but may cause some difficulties
Red	Expected	Major impact which could result in a material adverse effect on the Group and / or its stakeholders

Risk Management

Macro-economic Risks

Material Government Action

Likelihood Impact

Risk	Mitigation Strategy
The Group operates in emerging and frontier markets and could be exposed to the political, geographic and economic risks of such territories. • Arbitrary action by governments or governmental entities disrupting operations, cancelling contracts, unfair calling of bonds or other direct interference. • Changes in governmental policy around environment, trade, investment or foreign policy could adversely affect the Group's operations.	• Have in-country representation for long term projects • Develop and maintain strong relationships with trade bodies and industry partners. • Develop and maintain relationship with local embassies. • Use local advisors and partners where possible. • Use insurances where possible to provide cover. • Work to ensure that the Group's activities are not significantly concentrated in any one individual customer or territory. • Develop & maintain links with governments in project territories.

War & Terrorism

Likelihood Impact

Risk	Mitigation Strategy
There is an ever-present risk of war or terrorism around the world which is both an opportunity and risk for the Group: • Terrorist explosives planted in luggage or smuggled through Airport/Port secured by Westminster. • War or Terrorist event anywhere around the world can have adverse effects on global trade and travel which would affect the Group's operations.	• Ensure staff are adequately trained for and informed of the risks surrounding their role in the Group's operations. • Undertake Overt & Covert Testing Including Threat Image Projection on X-Ray Scanners • Adopt additional technologies such as Artificial Intelligence to enhance our detection capabilities. • Adopt a code of conduct for staff in relation to their actions whilst at work and on deployment overseas. • Use multiple brands in across the business to reduce exposure to reputational damage. • Ensure regular risk assessments are undertaken for major projects and that mitigation actions are in place. • Use wardens in countries with permanent Ex Pat staff • Maintain an incident response plan for all major projects. • Source independent reports of project country status.

Physical / Staff Risks

Staff Incident

Likelihood Impact

Risk	Mitigation Strategy
We operate in often physically challenging locations that present a range of risk for our staff: • Medical Emergencies such as Typhoid and Malaria etc. • Accidents at work or whilst on assignment in a country. • Personal Security from the threats of theft, attack or kidnap etc. • Incidents whilst travelling.	• Adopt policies / code of conduct for staff in relation to their actions whilst at work and on deployment overseas. • Undertake regular health and safety reviews. • Maintain insurance cover including medical evacuation and other risks. • Carry out staff training and provide country briefings prior to any deployment overseas. • Keep a log of employee medical requirements. • Locally retained doctor and first aiders. • Regular checks of first aid kits • Secure compounds / safe assessed hotels / guards. • Maintain emergency response plans.

Financial Risks

Material Financial Event

Likelihood Impact

Risk	Mitigation Strategy
As a growing company there are financial risks which must be carefully managed: • Lack of available cash flow to undertake or complete projects. • Changes in Tax regimes could have a negative effect on the Group's results. • A material bad debt could have a significant effect on the Group's results and cash flows. • Forex & exchange control risks on international transactions. • Availability of Funding in a Crisis	• Regular cash flow management. • Manage & minimise cash need of projects where possible by matching supplier and customer payment terms. • Use direct settlement e.g., IATA or Letters of Credit. • Undertake regular active debtor management. • Use milestone payments on projects. • Closely monitor large debtors, undertake credit checks and use credit insurance where possible. • Where possible match purchases and sales in same currency. • Hedging where appropriate. • Build up a cash reserve to cover potential crisis issue. • Review use of credit insurance.

Increased Cost of Capital

Likelihood Impact

Risk	Mitigation Strategy
Some of the larger opportunities which the Group are working towards have a significant requirement for financing. Should this financing come with a higher than expected cost this may adversely affect the financial expectations of these projects.	• Maintain regular dialogue with multiple funding sources, put in place project finance facility. • Build reserves to cover potential funding milestones.

Legal & Compliance Risks

Breach of Legislation/Regulations

Likelihood Impact

Risk	Mitigation Strategy
The Group is exposed to regulations and legislation in the UK and in the countries in which the Group operates or purchases from. Risks could include: • Breach of corruption or anti bribery legislation. • Breach of sanctions or export controls. • Breach of stock market regulations. • Inappropriate business conduct by Staff	• Maintain strict policies for all compliance risks and regularly review policies against best practice. • Ensure regular staff training is undertaken including ensuring new staff fully understand anti bribery requirements, sanctions/ controls and stock market requirements. • Ensure any agent or business partner contractually commit to obligations regarding compliance and undertake background checks ahead of their appointment. • Ensure contractual obligations restrict employees and past employees from non-compete and non-poaching activities • Ensure up-to-date export control policy and check new products for export-controlled content. • Use software tools where possible to monitor and ensure compliance with regulations. • Regular contact with our Nominated Advisor and close control of price sensitive information.

Change in Sanctions

Likelihood Impact

Risk	Mitigation Strategy
Some of the countries in which the Group operates could be affected by sanctions: • Change in sanctions status of operational country could prevent the continuation of a project. • Change in sanctions status in supplier country may increase project costs and require resourcing or suppliers' ability to deliver.	• Monitor world events for potential changes in sanctioned status. • Maintain Sanctions Policy. • Maintain sanctions list within CRM system to flag potential sanc-tioned enquiries. • Regularly check sanctions for high-risk projects. • Ensure multiple suppliers for key products

Corporate Criminal Offence

Likelihood Impact

Risk	Mitigation Strategy
The Group operates across multiple tax jurisdictions and needs to ensure its various businesses and all employees operate in accordance with relevant tax laws. The UK's 2017 Corporate Criminal Offence covers two areas: • The evasion of UK tax; and • The evasion of foreign tax.	• Operate in compliance with taxation legislation in areas of operation. • Seek professional advice where appropriate. • Monitor and audit the Group's financial operations and Human Resources.. • Maintain a Corporate Criminal Offence Policy.

Risk Management

Information Technology Risks

Failure of Major IT Equipment

Likelihood Impact

Risk	Mitigation Strategy
• The Group's systems and data are subject to security and availability risks, particularly in some of the territories the Group operates in. • Loss of hardware systems and data. • Loss of phone or email communications. • Loss of cloud-based software and data.	• Implement redundant systems where possible. • Move to cloud-based systems. • Ensure regular backups of company data. • Where possible provide dual internet connectivity options. • Ensure fail over services are provided where possible.

Cyber Attack

Likelihood Impact

Risk	Mitigation Strategy
The Group's profile around the world and sectors within which it operates heightens the risks of cyber-attack. • Cyber-attack to the website reduces selling opportunities and/or damages the Group's reputation. • The loss of customer data through a cyber-attack causing reputational damage. • A ransomware or similar attack restricting the Group's access to Company data hindering the Group's operations. • Cyber-attack on corporate and financial system. • Fraud through eCommerce.	• Implement industry standard protection software for all Company equipment and websites. • Ensure all software complies with the requirements of CyberEssentials • Provide staff training and updates on the latest potential threats and vulnerabilities. • Where possible segregate project services and data in unconnected systems. • Move to cloud storage and maintain back up data. • Anti-virus software and email checking software. • Ensure confidential data • Staff training on eCommerce transactions.

Contractual Risks

Major Project Failure

Likelihood Impact

Risk	Mitigation Strategy
The failure to deliver a project to the required standard could result in a major incident and significantly damage the reputation of the Group.	• Recruitment of appropriate qualified and experienced staff. • Internal audits against international standards. • Contractual liability limited (such as no airside liability taken) and implement adequate insurances. • Carry out regular risk assessments. • Contingency plans established for all staff positions.

Material Contract Failure

Likelihood Impact

Risk	Mitigation Strategy
Failure to deliver a contract in a timely manner, according to an agreed specification could lead to higher costs, penalties and reputational damage. • Material breach of contractual terms. • Unable to fulfil contractual obligations. • A contract becomes onerous. • Employee bribery causes breach of contract.	• Ensure employees are aware of contract terms for project on which they are working. • Carry out regular monitoring of employee's progress on projects with training / mentoring and monitoring as needed. • Regularly rotate employees where complacency or fatigue may develop. • Where possible ensure alternative sources are available for project requirements. • Undertake regular credit checks on suppliers. • Proper review to ensure the Group does not take on a project where requirements are unachievable. • Make sure contractual terms are adequate within proposals. • Maintain good relationships with overseeing stakeholders • Regular staff anti bribery training.
Major incident within a contract.	• Use AI Detection on screening systems where possible. • Maintain a press plan and emergency response plan.

Business Disruption

Loss of Key Staff

Likelihood Impact

Risk	Mitigation Strategy
The loss of key personnel or the failure to have an adequate succession plan could have an impact on the Group's overall performance.	• Restrict travel for multiple key staff on a single trip. • Maintain up to date job descriptions and recruitment plans. • Ensure competitive remuneration packages. • Cross training between staff. • Succession planning.

Hostile Action

Likelihood Impact

Risk	Mitigation Strategy
The effects of outside hostile interference in contracts and operations could have a significant effect on the Group.	• Ensure we have good professional advisors and that our contract information is sound.

Global Events

Likelihood Impact

Risk	Mitigation Strategy
Business is affected by War, Civil Unrest or Natural Disaster.	• Monitor global situations. • Have contingency plans including emergency response team.
Worldwide business global events such as SARS in 2008, the Ebola crisis in 2014 or the Coronavirus Covid-19 pandemic in 2020 can have serious consequences for the Group's operations and results.	• Build the business with multiple revenue streams coming from multiple customers in multiple regions to help limit impact. • Maintain cash reserves as buffer to unforeseen events. • Seek government support where available. • Maintain regularly updated Risk Assessments. • Maintain social distancing within offices. • Use home working as much as possible. • Use online meetings where possible. • Undertake risk assessments of all proposed travel. • Undertake risk/reward analysis of the merits of any travel.

Failure of Infrastructure

Likelihood Impact

Risk	Mitigation Strategy
Westminster's performance is dependent on the availability and quality of its physical infrastructure, its information technology.	• Implement a disaster recovery plan. • Maintain disaster recovery insurance. • Expand use and setup of home working solutions. • Reduce reliance on paper records.

The effects of outside hostile interference in contracts and operations could have a significant effect on the Group.

Stakeholder Engagement

Section 172 Statement

The Directors are well aware of their duty under section 172 of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and, in doing so, to have regard (amongst other matters) to:

- 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 between members of the Company.

The Board recognises that the long-term success of the Westminster Group requires positive interaction with its stakeholders. Positive engagement with stakeholders will enable our stakeholders to better understand the activities, needs and challenges of the business and enable the Board to better understand and address relevant stakeholder views which will assist the Board's in its decision making and to discharge its duties under Section 172 of the Companies Act 2006.

In the following section we identify our key stakeholders, how we engage with them and key activities we have undertaken during the period in question.

Stakeholders

Our People

Our People are our most valuable asset and are critical to the delivery of our strategy and the future growth of our business. We directly employed an average of 236 (31 Dec 2022: 256) people during period to 30 June 2024 and indirectly many more people around the world. We are fortunate to have a great team of talented and motivated people in our Group and it is important to retain and develop them so that we can attract and inspire new people to join us as we grow our operations worldwide.

How we engage

- Whilst we have reporting structures in place with line, country and divisional management teams, we operate an open-door policy and employees can speak to senior management or Board Directors about issues or ideas.
- The Board and senior management engage with employees through a range of formal and informal channels, including regular meetings and team briefings, and in certain territories involving trade unions.
- We have formal induction and appraisal systems in place for new and existing employees.
- We operate a companywide intranet system with useful information for our people and we utilise Microsoft Teams for collaboration amongst our diverse teams and businesses.
- We hold social events in different jurisdictions for our people in various locations when local rules allow i.e., outside of lockdown periods.
- The Group CEO provides updates and presentations to our people on important Company developments.
- The Group Chairman and other board members meet individual employees when appropriate.
- We encourage our people to have a culture of respect and integrity and operate a whistle blowing policy.

Key activities during the 18 months to 30 June 2024

- We continued with our employee appraisal system throughout our business.
- We found for our workforce excellent new people in the UK and overseas.
- We held several employee awards ceremonies virtually in the period recognising individual achievements.
- We continued to engage directly with employees and via video conference.
- We continued to train our people as appropriate for their role.

Our Strategic Partners

In previous Annual Reports, we have stated that, in addition to our organic growth, one of the growth strategies we had instigated was to look at targeted strategic alliances and joint ventures in key markets and regions, which would enable the Company to expand its sphere of operations in a controlled and cost-effective way. Our network of agents around the world also remains an important part of our global footprint and we need to ensure our agents are kept informed and motivated.

How we engage

- We identify regions and markets where the added strength and local knowledge of strategic partners would enable us to better penetrate that market.
- We analyse the suitability of such markets including legal and financial implications of entering into agreements etc.
- We enter into dialogue and if appropriate confidential commercial and contractual negotiations led by our CEO and CFO.
- We liaise with our agent network around the world on new products, services and opportunities.

Key activities during the eighteen months to 30 June 2024

- Worked closely with Figen Murray OBE, on Martyn's Law, her son died in the Manchester Arena attack.
- Marketing Martyn's Law related security products and services, the Home Office estimates 650,000 business in the UK will need to comply with the new legislation.
- Continued with a Two Airports $1.7m project in Southeast Africa.
- We held regular virtual meetings and dialogues with all our Strategic Partners.
- Continued a review and re-engagement programme with our network of agents.

Our Shareholders

The support of shareholders is vital to the long-term success of the Group. We are fortunate to have many supportive individual and strategic investors, however the Board is committed to expanding its institutional investor base. The Board recognises that maintaining good communication, having constructive dialogue with its shareholders and providing them with access to relevant information is important although this must be balanced against the confidential and commercially sensitive nature of what we do. A list of significant shareholders holding 3% or more of the Group's shares is set out on page 62 of this report.

How we engage

- Our investor website (www.wsg-corporate.com) provides all required regulatory information as well as additional information shareholders may find helpful including: share services, information on Board members, advisors and significant shareholdings, a historical list of the Company's announcements, its financial calendar, corporate governance information, the Company's publications including historic Annual Reports and Notices of Annual General Meetings, together with share price information and interactive charting facilities to assist shareholders analyse performance.
- We provide Market Announcements on all regulatory matters.
- Our websites provide regular news of non-regulatory activities.
- The Group issues the market with an interim and annual report with detailed information on the business. These reports are also listed on our website.
- The CEO and CFO are available to meet with institutional and significant shareholders for briefings and presentations when appropriate.
- We engage with private investors whenever possible and investor correspondence is handled by the Company's IR/PR advisors, Walbrook. The CEO often responds to individual correspondence where appropriate.
- All Directors are required to attend and make themselves available to take questions from shareholders or address any concerns at the Annual General Meeting, the date of which is published on our website.

Key activities during the eighteen months to 30 June 2024

- We engaged with investors on topics of strategy, governance, developments, and performance.
- We issued our 31 Dec 2022 Annual Report on 31 May 2023 and our 30 June 2023 Interim Report on 29 September 2023 and a further interim report to 31 December 2023 on 28 March 2024
- We held our AGM on 28 June 2023.
- Executives met either in person or virtually with investors and potential investors arranged by our stockbroker.

Stakeholder Engagement

Capital Providers

Access to capital is of vital importance to the long-term success of our business, to fund growth and finance our large-scale Build-Operate-Transfer (BOT) & Build-Maintain-Transfer (BMT) projects which operate similar to a SaaS model with heavy investment early in the life of a project but generating predictable, quantifiable and growing revenues and returns over many years. The Board's goal is to have access to a range of capital sources weighted towards non-dilutive capital such as pure debt, bank finance and vendor financing, and away from dilutive capital such as equity and convertible loan notes etc.

How we engage

- Meetings, discussions & presentations to banks and financial institutions.
- Meetings and discussions with UK Export Finance and similar organisations.

Key activities during the eighteen months to 30 June 2024

- We continued to hold a number of exploratory and positive meetings with various banks and lending institutions ready for new contracts.
- We continued to explore working with UK Export Finance on some of our large-scale project opportunities.
- We entered into an agreement for a Convertible Loan Note ("CLN") facility with a family office to raise up to £1.5 million for ongoing specific contract financing and working capital.

Our Customers

Customers are central to the success of all businesses. The majority of our customer base, by value, comprises governments and government agencies, non-governmental organisations (NGOs) and blue-chip commercial organisations worldwide. Our business is focused on providing innovative and turn-key solutions that meet our customer requirements efficiently and on time. Understanding the needs of our customers is crucial to the delivery of reliable and effective products and services, which underpins the performance and success of our business.

How we engage

Through our sales and business development teams we endeavour to provide our customers with:

- A solutions-driven answer;
- Knowledgeable advice;
- A discrete and confidential service;
- A prompt response to enquiries and queries;
- A quality and regulatory support service;
- A technical service offering with training and maintenance support;
- We interact with our customer base as required and for larger customers and/or where required we engage at director level;
- Where possible we travel to engage with our customers; and
- We participate in industry forums and events.
- We also exhibit at selected trade shows which facilitate a high-level of interaction with a wide range of customers and provide an opportunity for us to brief them.

Key activities during the eighteen months to 30 June 2024

- Supplied numerous customers in 68 countries worldwide.
- Ratification of DRC contract.
- Continued to expand customer base including important new customers.
- Continued to enhance the CRM software system.
- Continued to undertake regular internal sales meetings virtually and discuss customer activity, opportunities, and threats, which were reviewed at Board meetings.
- We continued to undertake our regular customer satisfaction feedback exercise following delivery of any product or service with a high positive response rate.
- There were various overseas visits to customers and customer visits to our UK HQ.

Customers are central to the success of all businesses. The majority of our customer base, by value, comprises governments and government agencies, non-governmental organisations (NGOs) and blue-chip commercial organisations worldwide.

Stakeholder Engagement

Our Suppliers

We are a solutions provider not a manufacturer and are product agnostic. We work with around 160 suppliers and look to choose the best products that meet our customer requirements for any given application. Whilst large manufacturers will have their own outlets and routes to market, many smaller manufacturers of niche and interesting security equipment do not have established or easy routes to market particularly in emerging markets. Our extensive website and market presence is therefore a useful route to market for some manufacturers and an opportunity for us. We rely on our suppliers to provide us with products and services which meet our quality, performance and delivery requirements, which in turn allows us to fulfil our commitments to our customers. Effective management of our supply chain is critical to ensuring the continuity of our business and reliable operational performance.

How we engage

- Our businesses engage with a broad range of suppliers on a day-to-day basis, to ensure that our expectations are met from a quality and delivery perspective, and to ensure that our suppliers are conducting their business in line with our own standards.
- Where appropriate we endeavour to enter into exclusive supply arrangements for specific products in order to protect our business development activities without committing to specific annual spend.
- We have advantageous supply arrangements with a number of leading suppliers of security equipment.
- We are regularly contacted by manufacturers of security equipment requesting that we market their products.

Key activities during the eighteen months to 30 June 2024

- We regularly interacted with our various suppliers.
- We engaged with new suppliers to expand our portfolio.
- Suppliers have carried out product training to our sales staff.
- Worked with some manufacturers to establish new routes to market.
- Our engineers attended technical training courses with manufactures both physically and virtually.

Our Communities

Our business, particularly our long-term managed services operations, operate predominantly in emerging markets and we recognise that we have an important role to play in the communities in which we operate.

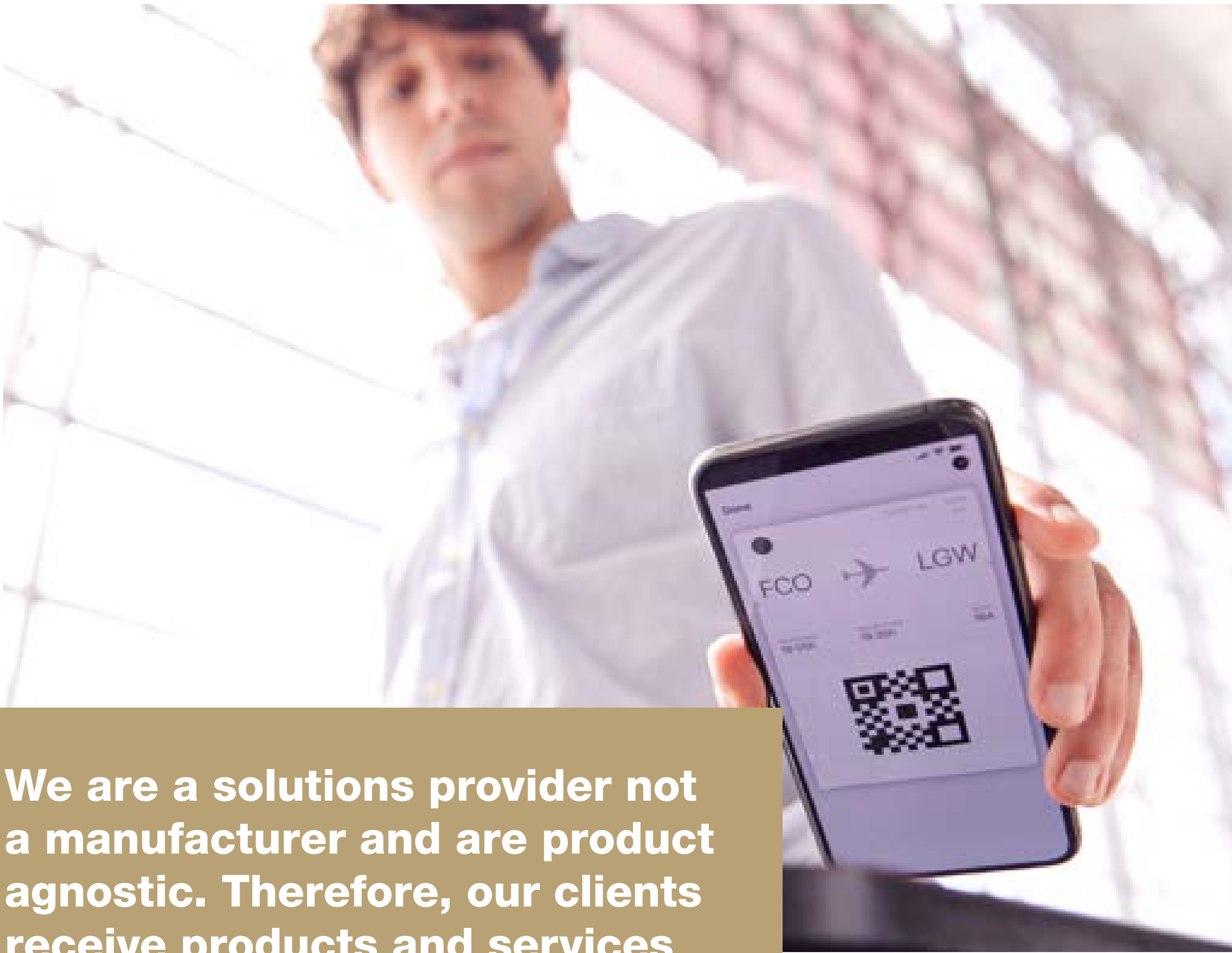
How we engage

- We engage with our communities in a wide variety of ways from charitable giving to general support.
- We operate the Westminster Group Foundation **www.wg-foundation.org**
- We work with local partners and other established charities to provide goods or services for the relief of poverty and advancement of education or healthcare making a difference to the lives of the local communities in which we operate.

Key activities during the eighteen months to 30 June 2024

- To view the many community support projects we are undertaking, visit **www.wg-foundation.org**
- We entered into dialogue with Banbury Rotary Club to be more engaged in our local community

^ This is an Alternative Performance Measure refer to Note 2 for further details



We are a solutions provider not a manufacturer and are product agnostic. Therefore, our clients receive products and services that meet their exact needs.

Governments and Regulators

We operate in a sector which is sensitive and regulated. Many of our larger projects and opportunities involve governments and governmental bodies as well as regulators such as the International Civil Aviation Organisation (ICAO) or the International Maritime Organization (IMO) and it is important we understand the current rules and regulations for all our operations. Some of the equipment and services we provide may be subject to export restrictions and may require government approved export licencing. As a company whose shares are admitted to trading on AIM, we are subject to various regulations under the AIM Rules of the London Stock Exchange, the Market Abuse Regulations of the FCA as well as other regulatory requirements.

How we engage

- We maintain a regular dialogue with government bodies and regulators with respect to our operations and opportunities in order to assess opportunities and risks.
- We maintain a dialogue with the UK government and our various British Embassies and High Commissions in the countries we are involved in or targeting.
- We monitor international sanctions lists and our customer relationship management systems are used to identify customers, countries or projects that may be subject to sanctions or that require export licences.
- We have a comprehensive anti-bribery policy and procedure in place which all staff have to commit to.
- We liaise regularly with our Nominated Advisor and corporate lawyers in relation to our public share trading requirements.
- The Board reviews compliance activities at each Board meeting.

Key activities during the eighteen months to 30 June 2024

- We applied for and were granted 3 export control licences during the period (31 Dec 2022: 2 Licenses).
- We liaised virtually and, when possible, in person with a number of Ambassadors and High Commissioners from our overseas missions around the world.
- All Directors and staff undertake an anti-bribery webinar annually.

Environmental, Social and Governance (ESG)

Westminster corporate strategy with regard to ESG, is to continue to meet environmental, economic, social, corporate governance goals. This will involve continuous measures to reduce energy use, waste, pollution and natural resources conservation: whilst employing a diverse and inclusive work force and meeting corporate governance requirements.

Westminster is aware that investors and fund providers are aligning their portfolios with EGS related companies that have a positive effect on society and the environment and intend to fulfil their obligations regarding ESG.

Environment

Westminster supplies products and carries out projects throughout the world, these are planned and carried out with due regard to safeguarding the local environment.

Westminster is working to embed environmental sustainability throughout our operations to drive efficiencies and responsible resource use, including reducing energy, water, and resource consumption as well as greenhouse gas emissions.

The Company is also independently certified and operates an ISO 9001 Quality Assurance programme and is working towards ISO 14001 – Environmental Management. This involves the following:

- Work closely with our supply chain to reduce waste content;
- Recycle packaging material;
- Recycle equipment and parts where possible;
- Use renewable energy sources such as solar panels where possible;
- Provide a safe working environment for our employees and contractors;
- Do not use any harmful chemicals or pollutants

  The Company has the following Environmental related Policies that are reviewed each year by the board:

- Environment Policy,
- Smoking Policy,
- Fire Safety Policy

Social

Westminster carries out projects throughout the world, where we actively engage with our local partners, communities, and other established charities to provide goods and / or services for the relief of poverty and advancement of education or healthcare making a difference to the lives of the local communities in which we operate. Many of these companies' projects are in emerging markets that presents challenges with language and logistics, religious, and cultural considerations.

Some of this charitable work is carried out via the Westminster Group Foundation www.wg-foundation.org

The Group continued growth and long-term success is reliant on its relations with its stakeholders, both internal (employees and shareholders) and external (customers, suppliers, agents, business partners and advisors etc).

Employees are a key factor in delivering successful growth and as such the Company fosters an open and friendly dialogue with its workforce. The Company endeavours to keep its workforce informed on the Company's progress and holds regular meetings both formal and informal via social events.

Westminster remuneration policy is designed to encourage employees to deliver our strategy and create stakeholder value, and to motivate and retain them.

Westminster recognises ISO 26000 as a reference document that provides guidance for integration / implementation of social responsibility / socially responsible behaviour. In accordance with the principles of ISO 26000 we will endeavour to:

- Be accountable for our actions and activities.
- Be transparent about our activities and decisions that affect society, the economy, and the environment.
- Operate in an ethical manner in all our business operations.
- Be mindful of and respect our stakeholder interests, both internal stakeholders (employees and shareholders) and external (customers, suppliers, agents, business partners and advisors etc.);
- Respect the rule of law wherever we operate.
- Respect international norms of behaviour wherever we operate.
- Respect human rights in whatever we do and wherever we operate.
- We recognise that Social Responsibility is a process that will develop and evolve with practice and time and one in which all our employees have a role to play.

The Company has the following Social related policies that are reviewed each year by the board: -

- Health & Safety,
- First Aid including Health & Wellbeing
- Anti Bribery & Corruption Policy
- Anti-Slavery and Human Trafficking Policy
- Corporate Social Responsibility Policy
- Equal Opportunities Policy
- Whistle-blower Policy
- Code of Ethics
- Grievance Procedure
- Maternity Leave & Pay Policy
- Paternity Leave & Pay Policy
- Adoption Leave & Pay Policy
- Parental Leave Policy
- Drugs & Alcohol Policy
- Social Media Policy.

Governance

Westminster as a listed company traded on the AIM market of the London Stock Exchange, recognise the importance of sound corporate governance throughout the organisation giving shareholders and other stakeholders including employees, customers, suppliers and the wider community confidence in our business.

The company complies with the requirements of Rule 26 of the AIM Rules for Companies 'Company information disclosure' https://www.wsg-corporate.com/investor-relations/rule-26/

Westminster Board have committed to the adoption of, and working to, the Quoted Companies Alliance (QCA) Corporate Governance Code 2018. It will also be committing to the revised Quoted Companies Alliance ("QCA") Corporate Governance Code 2023. The companies follow governance practices such as Participation, Rule of Law, Transparency, Responsiveness, Consensus Oriented, Equity and Inclusiveness, Effectiveness and Efficiency, and Accountability.

The Company operates in complex and challenging technological and geographical areas and as such has in place a board structure that can best provide the strategic advice and leadership required. The board structure consists of a PLC Board, Operational Board and an International Advisory Board.

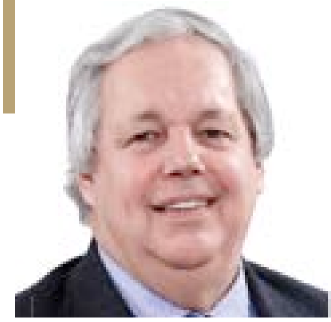
There is a balance of Executive and Non-Executive Directors, including a Non-Executive Chairman who is responsible for dealing with the strategic direction and long-term success of the Company. The Directors retire by rotation every three years either standing down or standing for re-election at the company's Annual General Meeting.

The Board meet every two months or at any other time deemed necessary for the good management of the business and at a location agreed between the Board members. The Non-Executive Directors are considered independent directors.

"We recognise that Social Responsibility is a process that will develop and evolve with practice and time and one in which all our employees have a role to play."

Westminster Group

Board of Directors



Rt. Hon. Sir Tony Baldry DL
Non-Executive Chairman
(Executive Chair until 28 June 2023)

Sir Tony has had a long a prestigious Parliamentary career. He was Personal Aide to Margaret Thatcher in the 1974 General Election and subsequently remained in her private office when she became Leader of the Opposition.

Sir Tony served as MP for North Oxfordshire from 1983 to 2015. He held various ministerial posts during the 1990s, serving as Minister of State in the Ministry of Agriculture, Fisheries and Food and as Parliamentary Under Secretary of State in the Foreign and Commonwealth Office, with a range of responsibilities including South Asia, Africa, North America and the West Indies.

Sir Tony, a practicing barrister, was awarded the Robert Schumann Silver Medal for contribution to European politics in 1975. He takes a keen interest in foreign affairs and was a Governor of the Commonwealth Institute and a member of the Overseas Development Institute. Sir Tony was Chairman of the House of Commons Select Committee on International Development in the 2010 Parliament.

Peter Fowler
Chief Executive Officer

Peter has over 50 years' experience operating within the security industry, with particular reference to the electronic protection sector. Peter started his career in the security industry in 1970, quickly progressing into senior management roles and has a long history of running successful companies having built and sold various security businesses. He successfully carried out acquisitions and disposals and has held several senior positions in listed companies prior to leading Westminster.

Peter joined Westminster as Managing Director in 1996, carried out an MBO of the business in 1998 and led the IPO on AIM in 2007. He is widely travelled and has developed an extensive network of contacts around the world, having met numerous senior governmental and military personnel in many of the countries in which Westminster operate.

Mark Hughes BSc MBA FCA
Chief Financial Officer

Mark is an experienced Group Chief Financial Officer with over 30 years' experience in leading financial organisations, banking and corporate finance teams worldwide including in high growth and emerging markets. Mark is a fellow of the Institute of Chartered Accountants, holds an MBA from the University of Warwick and has an honours degree in Banking and International Finance.

Stuart Fowler BEng (Hons)
Chief Operating Officer

Stuart has many years' experience of the security industry and has been particularly involved in many of the more complex integrated security systems.

Stuart studied computing and business studies at university obtaining a Bachelor of Engineering Honours degree in 1996. After university Stuart successfully implemented several software development projects for listed companies before joining Westminster in 1998. Since that time, Stuart has been instrumental in the design and implementation of many larger complex systems installed by Westminster and is now responsible for the Group's operations and technical implementation worldwide.

Simon Barrell
Non-Executive Director

Simon Barrell is a Fellow of the Institute of Chartered Accountants in England and Wales. Following qualification, he spent 4 years working in Nairobi and has since also gained considerable international experience with a number of organisations.

After 11 years in the profession, Simon moved into the corporate world and has held various posts as Finance Director and has experience across multiple industries working in both the public and private sectors. He has also held numerous non-executive positions for a number of public companies and continues to act as an adviser to listed and non-listed companies. He is currently a non-executive director of SRT Marine Systems plc and Grafenia plc.

Major General (Retired) Graham Binns CBE DSO MC
Independent Non-Executive Director

Graham Binns is a highly decorated retired British Army officer with over 10 years' experience as a senior board level executive in the commercial security sector.

Graham served as General Officer Commanding 1st (UK) Armoured Division and then Commandant Joint Services Command and Staff College, retiring in 2010. He had previously commanded the 7th Armoured Brigade (the Desert Rats) during Operation Telic 1 when the brigade took Basra in southern Iraq.

Following his military career, Graham was recruited as Chief Executive Officer of Aegis Defence Services Ltd. providing security services to governments and major corporations throughout the Middle East and Africa, with revenues of £300m and a staff of over 3,000.

Following the acquisition of Aegis by GardaWorld, the world's largest privately owned security group with 122,000 employees and a turnover of $3 billion, Graham served for several years as Senior Managing Director of GardaWorld International Protective Services, and more recently as their senior advisor on strategic client relationships.

Corporate Governance Report

The Directors are committed to delivering high standards of corporate governance to the Group's shareholders and other stakeholders including employees, suppliers, and the wider community. As an AIM company, full compliance with the UK Corporate Governance Code or the Quoted Companies Alliance Corporate Governance Code, is not a formal obligation. The Directors recognise the importance of sound corporate governance, and the Group has sought to adopt the recommendations of the Quoted Companies Alliance Code that are appropriate to its size and organisation and establish frameworks for the achievement of this objective. The Board of Directors operate within the framework described below.

Governance Framework

The Board is responsible for ensuring leadership of the Group through effective oversight and review and aims to deliver the long-term sustainable success of the business. The Board discharges some of its responsibilities directly in accordance with the formal schedule of matters reserved for it to approve, and discharges others through Board committees and the executive management.

The key responsibilities of the Board, its committees and the executive management are set out below.

Non-Executive Chairman

Responsible for: leadership of the Board and the Board's effectiveness; ensuring board composition and skills meet the needs of the business; and for Board and Committee reviews.

The Board

Responsible for: the long-term success of the Group, providing leadership, direction and strategy; promoting the core values of the business & oversight of financial management; ensuring the business has effective internal control and risk management systems; and ensuring effective stakeholder engagement.

Audit Committee

Responsible for oversight of the Group's financial and risk reports and statements and external and internal audit processes.

See pages 50-55

(Audit Committee Report)

Nomination Committee

Responsible for ensuring the Board and its committees have appropriate leadershipand succession planning in place.

See pages 56-57

(Nomination Committee Report)

Remuneration Committee

Responsible for the setting of Directors' and senior leadership remuneration package policy, to attract and retain key individuals.

See pages 58-61

(Remuneration Report)

Risk Committee

Responsible for the Group's risk management and internal control processes.

See page 23
(Risk Management Committee)

Operational Board

Responsible for management and governance of Group's divisions and business.

See page 41
(Board Structure)

Disclosure Committee

Responsible for oversight of the Group's disclosure obligations and MAR.

See pages 46
(Disclosure Committee)

Chief Executive Officer

Responsible for: leadership and day-to-day management of the business; for developing strategy and new business opportunities; and ensuring the Board are kept informed of all relevant information.

The Board is responsible for ensuring leadership of the Group through effective oversight and review and aims to deliver the long-term sustainable success of the business.

Corporate Governance Report

The Board

The Board sets the Group's strategic aims and ensures that necessary resources are in place for the Group to meet its objectives. All members of the Board take collective responsibility for the performance of the Group, the Group's Corporate Governance and all decisions are taken in the interests of the Group. Whilst the Board has delegated the normal operational management of the Group to the Executive Directors and other senior management, there are detailed specific matters subject to decision by the Board of Directors. These include acquisitions and disposals, joint ventures and investments, projects of a capital nature, loans and all significant contracts. The Non-Executive Directors have a responsibility to challenge constructively the strategy proposed by the Executive Directors; to scrutinise and challenge performance; to ensure appropriate remuneration and that succession planning arrangements are in place in relation to Executive Directors and other senior members of the management team. The senior executives enjoy open access to the Non-Executive Directors.

The Chairman is responsible for leadership of the Board and ensuring its effectiveness on all aspects of its role including Corporate Governance. The Chairman sets the Board's agenda and ensures that adequate time is available for discussion of all agenda items, especially strategic issues. The Chairman promotes a culture of openness and debate by facilitating the effective contribution of Non-Executive Directors and ensuring constructive relations between Executive and Non-Executive Directors. The Chairman is also responsible for ensuring that the Directors receive accurate, timely and clear information. The Chairman ensures effective communication with shareholders.

All Directors allocate sufficient time to the Group to discharge their duties. There is a formal, rigorous and transparent procedure for the appointment of new Directors to the Board. The search for Board candidates is conducted, and appointments made, on merit, against objective criteria and with due regard for the benefits of diversity on the Board.

The Board is responsible for ensuring that a sound system of internal control exists to safeguard shareholders' interests and the Group's assets. It is responsible for the regular review of the effectiveness of the systems of internal control. Internal controls are designed to manage rather than eliminate risk and therefore even the most effective system cannot provide assurance that every risk, present and future, has been addressed. The key features of the system that operated during the year are described below.

Board Meetings and Attendance

The Board of Directors holds at least six scheduled meetings a year to review the performance of the Group. In addition, ad hoc Board meetings are convened to deal with matters arising between scheduled meetings. The Board seeks to foster a strong ethical culture across the Group. There are clearly defined lines of responsibility and delegation of authority from the Board to the operating subsidiaries. The Operational Board meet weekly to review any key or current issues and hold monthly Operational Board meetings with Divisional Heads. The following covers the eighteen months to 30 June 2024

Name	Board Meetings		Disclosure Committee		Audit Committee		Nomination Committee		Remuneration Committee	
	H	A	H	A	H	A	H	A	H	A
Sir Tony Baldry	11	11	5	5	2	2	2	2	4	2
Mawuli Ababio	2	2	9	9	2	2	1	1	4	3
Peter Fowler	11	10	14	14	6	5	3	3	4	2
Mark Hughes	11	11	14	14	6	6	2	2	2	2
Stuart Fowler	11	11	14	14	6	6	2	2	3	3
Simon Barrell	11	10	14	14	6	6	3	3	4	4
Major General (Rtd) Graham Binns	11	10	14	14	6	6	3	3	4	4

Key
H = Maximum number of scheduled meetings held a director could have attended A = Number of meetings actually attended in person or remotely

Board Structure

The Company operates in complex and challenging technological and geographical areas and as such has put in place a board structure that can best provide the strategic advice and leadership required. The board structure consists of a PLC Board, an Operational Board and an International Advisory Board. The current members of each board may be found on our website here https://www.wsg-corporate.com/investor-relations/board-members.

PLC Board

The PLC Board contains a balance of Executive and Non-Executive Directors, including an Non-Executive Chairman who is responsible for dealing with the strategic direction and long-term success of the Company. The Board will meet every two months or at any other time deemed necessary for the good management of the business and at a location agreed between the Board members. The Non-Executive Directors, Simon Barrell and Major General (Rtd) Graham Binns are all considered independent Directors.

Operations Board

The current Operations Board members are:

- **Peter Fowler (Group CEO) (Chair)**
- Mark Hughes (Group CFO)
- Stuart Fowler (Group COO)
- Joanna Fowler (Head of Managed Services Division)
- Hamish Russell (Commercial & General Manager)
- Lorraine Hellend (Head of Sales)
- Niall O’Brien (Head of Marketing and Strategy)
- Magda Reitmajer (Financial Controller)

The Operational Board comprises of certain Executive Directors, Divisional Heads and other senior management as deemed appropriate and is responsible for management and governance of Group’s divisions and business activities. The Operational Board meets informally weekly or at any other time deemed necessary for the good management of the business and at a location agreed between the Board members. The Operational Board holds a formal minuted meeting once a month. The Operational Board reports to the PLC Board.

International Advisory Board

The International Advisory Board assists and advises the Company and its subsidiaries on various international issues including governmental and client liaison, cultural, ethnic and religious sensitivities, compliance with legal issues, financing and general business development. For further details see the Group’s corporate website.

Board Composition, Experience and Dynamic

The Company operates in complex, challenging technological and geographical areas and the Board is mindful that in order to deal effectively with the challenges of the business and to maximise its growth opportunities it has to incorporate a broad range of skills and diversity. The Board maintains a skills, diversity and experience matrix which will be periodically reviewed at Board meetings to evaluate current and future requirements. The Board and its committees will also seek external expertise and advice where required. Board members undertake continuing professional development as and when appropriate. The composition of the board with the members’ skills and experience is set out on pages 36 to 37.

Name	Position	Age	Gender	Varied Board Experience	Business Development	International Experience	Governance	Financial Management	Capital Markets	Public Market	Public Relations	Legal & Contractual	Security Sector	Technical	M&A
Sir Tony Baldry	Chairman	60+	M	✓	✓	✓	✓		✓	✓	✓	✓			
Peter Fowler	CEO	60+	M	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mark Hughes	CFO	60+	M	✓		✓	✓	✓	✓	✓	✓	✓	✓		✓
Stuart Fowler	COO	40-50	M	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	
Simon Barrell	NED	60+	M	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓
Major General (Rtd)	NED	60+	M	✓	✓	✓	✓	✓				✓	✓	✓	✓

Corporate Governance Report

Board Evaluation

The Board considers evaluation of its performance and that of its committees and individual Directors to be an integral part of corporate governance to ensure it has the necessary skills, experience, and abilities to fulfil its responsibilities. The goal of the Board evaluation process is to identify and address opportunities for improving the performance of the Board and to solicit honest, genuine and constructive feedback.

The Board considers the evaluation process is best carried out internally at the Company's current size. However, the Board will keep this under review and may consider independent external evaluation reviews in due course as the Company grows.

The Board will, as a whole or in part as appropriate, undertake the evaluation process aided by the Chairman, CEO and independent Non-Executive Directors or external advisors as necessary. The Chairman is responsible in ensuring the evaluation process is 'fit for purpose', as well as dealing with matters raised during the process. The Chairman will keep under review the frequency, scope and mechanisms for the evaluation process and amend the process as required.

Where deficiencies are identified these will be addressed in a constructive manner. Where necessary, individual Directors will be offered mentoring and training. If deficiencies are identified within the Board as a whole, then changes or additions to the Board will be considered in conjunction with the Nomination Committee.

The evaluation process will be focused on the improvement of Board performance, through open and constructive dialogue and the development and implementation of action plans. The Board will report on its evaluation and actions in its Annual Report. Any recommendations raised in relation to any Board Committee are acted upon in a formal and structured manner. No issues were identified for the eighteen months ended 30 June 2024.

Succession planning is a vital task for boards and the management of succession planning represents a key measure of the effectiveness of the Board and a key responsibility of both the Nomination Committee and wider Board.

Internal control

The key procedures which the Directors have established with a view to providing effective internal control are as follows:

- Regular Board meetings to consider the schedule of matters reserved for Directors' consideration;
- A risk management process;
- An established organisational structure with clearly defined lines of responsibility and delegation of authority;
- Appointment of staff of the necessary calibre to fulfil their allotted responsibilities; Comprehensive budgets, forecasts and business plans approved by the Board, reviewed on a regular basis, with performance monitored against them and explanations obtained for material variances; and
- An Audit Committee of the Board, comprising Non-Executive Directors, which considers significant financial control and risk matters as appropriate.

Key Board Activity and Focus in eighteen months

Leadership

- Evaluated Board effectiveness.
- Reviewed senior management performance.
- Board Diversity & Experience reviewed.
- Management and Succession Strategy planning reviewed.
- Appraisal system in place and functioning.

Financial

- Approved 31 Dec 2023 Financial Accounts & Annual Report.
- Approved the 30 June and 31 December 2023 period results.
- Approved the 2024/5 Budgets.
- Continued to enhance the CRM system.
- Continued to enhance reporting from the Microsoft Business Central ERP system

Strategy

- Continued to expand the 'One Company, One Vision' ethos, focussed on the LAND, SEA & AIR marketing structure.
- Main sponsor at CTX counter terrorism exhibition.
- Continued to pursue major project opportunities.
- Restarted hosting various governmental and corporate clients at our demonstration grounds and facilities in the UK
- Continued to expanded UK customer base.

People and Culture

- Reviewed and approved existing and new company policies throughout the period.
- Continued with 'One Company Vision',
- Continued work on staff incentive scheme.

Financing

- Investigated various alternative project funding solutions.
- Entered into an agreement for a Convertible Loan Note ("CLN") facility to raise up to £1.5 million for ongoing specific contract financing and working capital.

Operations

- Expanded supplier network and product lines.
- Supplied goods and services to 69 countries (31 Dec 2022: 60) around the world.
- Progressed new managed services contract in DRC.
- Progressed new managed services contract in Africa.
- Worked on project to upgrade security at two airports in Southeast Africa

Shareholders

- Responded to investor enquiries.
- Held an AGM.
- CEO undertook investor focussed interviews with various broadcast organisations.
- Undertook a Shareholder analysis including nominee underlying holders.

Governance

- Audit, Disclosure, Remuneration, Nominations and Risk Committee Terms of Reference reviewed and approved.
- Reviewed the Group's compliance with adopted QCA governance code preparing for 2023 Code.
- All Directors and staff undertook and passed the Group's anti-bribery webinar.

Corporate Governance Report

Business Model

Business Description

Our vision is to build a global business with strong brand recognition delivering niche security solutions and long-term managed services to high growth and emerging markets around the world, with a particular focus on long term recurring revenue^ business.

Our target customer base is primarily governments and governmental agencies, critical infrastructure (such as airports, ports and harbours, borders and power plants), and large-scale commercial organisations worldwide.

Our business has evolved from a traditional UK focused security business to what can be described today as a truly international business. Furthermore, our evolution continues as we expand our operations into new areas and new territories creating additional opportunities around the world in the provision of long-term managed security services and security products.

We deliver our wide range of Land, Sea and Air solutions and services through a number of operating companies that are currently structured into two operating divisions; Services and Technology; both primarily focused on international business as follows:

Services Division:
Focusing on long term (typically 10 – 25 years) recurring revenue^ managed services contracts such as the management and operation of security solutions in airports, ports and other such facilities, together with the provision of manpower, consultancy and training services.

Technology Division:
Focusing on providing advanced technology led security solutions encompassing a wide range of surveillance, detection, tracking, screening and interception technologies to governments and organisations worldwide.

These two divisions offer cost effective dynamics and vertical integration with the Technology Division providing vital infrastructure and complex technology solutions and expertise to the Services Division. This reduces both supplier exposure and cost and provides us with increasing purchasing power. Our Services Division provides a long-term business platform to deliver other cost-effective incremental services from the Group. Together these two divisions provide an opportunity to deliver long term, recurring revenue^ growth underpinned by a corporate infrastructure based on core values and risk mitigation through geographical spread and multiple revenue streams.

Strategy

In accordance with our vision, we operate world-wide with a focus on high growth and emerging markets where our expertise and technological reach can make a significant difference. Our client base is predominantly governments and governmental bodies, transportation organisations, non-governmental organisations (NGOs), and commercial and multi-national corporations worldwide.

Operating in emerging markets does present particular challenges with language and logistics, religious and cultural considerations and ethics. Doing business with governments and large corporations, particularly where large scale nationally important contracts are involved, can be a time-consuming process and this can be all the more so in emerging markets where processes can be slow and bureaucratic due to the nature of governments and the inherent complexities of doing business in such markets. Despite such challenges and in some cases because of them, emerging markets offer huge growth opportunities for our Company.

Over the years we have built up an extensive international network of agents and partners, some of whom have become strategic investors, who provide business development assistance to our sales team, in-country knowledge and logistical support together with arranging meetings, translations where required and assisting with client negotiations. This network provides us with a cost effective, scalable global footprint in our chosen markets. This network together with the support we receive from the British Government and in-country diplomatic missions around the world means Westminster is well placed and structurally organised to benefit from the many opportunities we are developing within these markets.

^ This is an Alternative Performance Measure refer to Note 2 for further details

We are not a manufacturer and are product agnostic which enables us to provide the most appropriate product or solution to address our clients' needs. We do however have strong working relationships with a great many leading and niche product manufacturers around the world, enabling us to offer a broad and extensive range of solutions. We continually monitor market and technology advancements and regularly review our supplier and manufacturer base.

Our corporate strategy is outlined on pages 13-14.

Corporate Culture

The Board recognises that a corporate culture based on sound ethical values and behaviours is an asset and provides competitive advantages. The Group operates in international markets and is mindful that respect of individual cultures is critical to corporate success. In accordance with Westminster Group's stated mission, it endeavours to conduct its business in an ethical, professional and responsible manner, treating our employees, customers, suppliers and partners with equal courtesy and respect at all times.

We recognise ISO 26000 as a reference document that provides guidance for integration / implementation of social responsibility / socially responsible behaviour. Westminster Group is also independently certified and operates an ISO 9001 Quality Assurance programme and is working towards ISO 14001 Environmental Management.

The Group also supports the local communities in which it operates indirectly through various charities and organisations and directly through its own registered charity, the Westminster Group Foundation.

Stakeholder Communication

The Board is committed to maintaining good communication and having constructive dialogue with all of its stakeholders, including shareholders, providing them with access to information to enable them to come to informed decisions about the Company. The Investor Relations section of the Company's website provides all required regulatory information as well as additional information shareholders may find helpful including: Share Services, Information on Board Members, Advisors and Significant Shareholdings, a historical list of the Company's Regulatory Announcements, its Financial Calendar, Corporate Governance information, the Company's publications including historic Annual Reports and Notices of Annual General Meetings, together with Share Price information and interactive Charting facilities to assist shareholders analyse performance.

Results of shareholder meetings and details of votes cast will be publicly announced through the regulatory system and displayed on the Company's website with suitable explanations of any actions undertaken as a result of any significant votes against resolutions.

Further information on the Group's Engagement can be found on pages 28-33.

Market Abuse Regulations

We are required to comply with Article 18(2) of the Market Abuse Regulation (EU) No. 596/2014 which is part of UK Law by virtue of the European Union (Withdrawal) Act 2018 (as amended) ("MAR") with reference to insider dealing and unlawful disclosure of inside information. The London Stock Exchange requires traded companies to maintain insider lists as set out MAR that came into effect on 3 July 2016.

The Board has in place a MAR compliance process and this and the Company's regulatory announcements are overseen by the Disclosure Committee.

The Company's MAR Policy may be found on its website (www.wsg-corporate.com).

Disclosure Committee

The Committee's Terms of Reference were last approved by the Board on 1 October 2024 and can be viewed on the Corporate Governance section of the Company's website (www.wsg-corporate.com).

The Terms of Reference are regularly reviewed by the Board and will be amended where appropriate.

The Committee will be appointed by the Board and should be a balance of executive and non-executive directors.

It oversees and regulates the Company's disclosure obligations and to ensure compliance with MAR and London Stock Exchange rules.

Meetings shall be held as necessary for the purposes of approving regulatory announcements at such other times as shall be necessary or appropriate, as determined by the Chairman.

Mark Hughes acts as Secretary to the Committee and minutes of meetings are circulated to all Committee members.

Corporate Governance Report

Committee Membership
The current Disclosure Committee members are:

- **Rt. Hon. Sir Tony Baldry (Chair)**
- Major General (Rtd) Graham Binns (NED)
- Simon Barrell (NED)
- Peter Fowler (Group CEO)
- Mark Hughes (Group CFO)
- Stuart Fowler (Group COO)

Risk management

As an entrepreneurial business operating in emerging markets there is clearly an elevated risk which is balanced by potentially greater rewards. The Board is mindful of and monitors both its corporate risks and individual project risks. Risks are categorised by both probability and impact and appropriate measures identified to monitor and mitigate any potential impact.

Project risks are dealt with on a case-by-case basis and monitored through the life cycle of the project as risks change, and new risks appear. Project risks and mitigation will be part of regular project management meetings. The project manager for any given project will have responsibility for maintaining the project risk register.

The Company's corporate risks, risk monitoring, and risk management procedures are regularly reviewed by the Risk Management Committee and the Company's risk register updated as necessary. The Company Secretary will have responsibility for maintaining the corporate risk register. The Risk Committee Chairman will be responsible for ensuring the risk register is regularly reviewed and the Audit Committee Chairman will report on status and updates at Board meetings. The Company provides a risk report in its Annual Report each period.

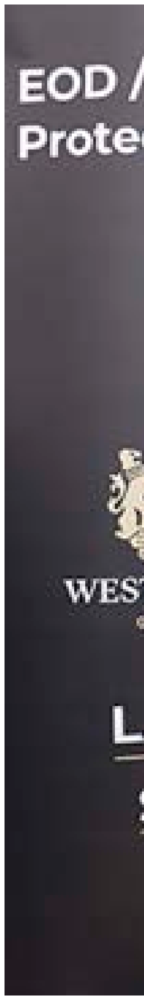
The Board has the primary responsibility for identifying the major risks facing the Group. The Board has adopted a schedule of matters which are required to be brought to it for decision, ensuring that it maintains full and effective control over appropriate strategic, financial, organisational and compliance issues. The Board has identified a number of key areas which are subject to regular reporting to the Board. The policies include defined procedures for seeking and obtaining approval for major transactions and organisational changes.

In addition to risk assessment, the Board believes that the management structure within the Group facilitates free and rapid communication across the subsidiaries and between the Group Board and those subsidiaries and consequently allows a consistent approach to managing risks. Certain key functions are centralised, enabling the Group to address risks to the business present in those functions quickly and efficiently. The key risks and mitigation strategies of the business are set out on pages 24 to 27 of this report.

Corporate responsibility

The Board is very aware of the importance of its corporate responsibilities, particularly in terms of ensuring that high standards of behaviour are maintained wherever the Group is operating. The following principles and processes have been established for that purpose:

- Only supply goods and services that improve people's safety and security – no offensive activities;
- Protecting the health and safety of all employees is paramount;
- ISO 9001:2008 certified;
- ISO 14001:2004 environmental management system certification;
- Members of Aerospace, Defence & Security Association (ADS);
- Operate a strict ethical policy with both employees and agents within the principles of Common Industry Standard (CIS) produced by the Aerospace and Defence Organisation of Europe;
- Comply with UK and International Export Controls criteria – key employees have attended required courses;
- Providing valuable employment and investment opportunities in third world areas;
- Promoting environmental solutions – e.g., solar street lighting, oil leak detection etc;
- Providing speakers at conferences & seminars, referenced by press & media;
- Supporting and assisting local and international charities; and
- The Group maintains a stringent anti-bribery policy and complies with both UK and local statutes.



The Company's corporate risks, risk monitoring, and risk management procedures are regularly reviewed by the Risk Management Committee and the Company's risk register updated as necessary.

Governance report

Corporate Governance Report

Anti-bribery and corruption

The Group has a well-established anti-corruption policy in place which covers bribery and corruption, gifts and hospitality, and facilitation payments. This policy is reviewed by the Board annually and updated as necessary. All new employees and Directors are required to undertake and pass the Group's anti-corruption webinar and assessment. All employees are required to retake the anti-corruption webinar test annually. A copy of the Group's anti-corruption policies can be found on the Group's website at https://www.wg-plc.com/policy/.

Human rights

The Group is committed to respecting human rights in the countries in which we do business. We ensure, as far as we are able, that there is no slavery or human trafficking in any part of our supply chain. All suppliers, agents and sub-contractors are required to adhere to our ethical standards. A copy of the Group's compliance with the Modern Slavery Act 2015 can be found on the Group's website at https://www.wg-plc.com/policy/.

In support of our Corporate Responsibility, we have a comprehensive range of policies which the Board review annually and update as necessary. Policies include:

- Quality Policy
- Health & Safety Policy
- Environmental Policy
- Anti-Bribery & Corruption Policy (including Gifts & Hospitality)
- Anti-Slavery and Human Trafficking Policy
- Company IT & Security Policy
- Money Laundering Policy
- CSR (Corporate Social Responsibility) Policy
- Data Protection Policy
- Equal Opportunities Policy
- Whistle-blower Policy
- Code of Ethics
- Sanctions Policy
- Export Control Policy
- Market Abuse Regulations (MAR) Policy

Financial planning, budgeting and monitoring

The Group operates a planning and budgeting system with an annual budget approved by the Board. There is a financial reporting system which compares results with the budget and the previous period each month to identify any variances from approved plans. Monthly rolling cash flow forecasts form part of the reporting system.

The Group remains alert to react to other business opportunities as they arise.

Capital management policies and procedures

The Group's capital management objectives are:

- To ensure the Group's ability to continue as a going concern; and
- provide an adequate return to shareholders.

The Group monitors capital on the basis of the carrying amount of equity plus its loans, less cash and cash equivalents as presented on the face of the statement of financial position.

The Group sets the amount of capital in proportion to its overall financing structure, being equity and financial liabilities. The Group manages the capital structure and adjusts to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may review any dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

There is no requirement for the Group to maintain a strong capital base for each of its UK subsidiaries and therefore each subsidiary is financed by inter-company debt from the Company. These policies have not changed in the period. The Directors believe that they have been able to meet their objectives in managing the capital of the Group.

Non-Executive Directors

All the Non-Executive Directors are considered by the Board to be independent in character and judgement and there are not considered to be any circumstances that are likely to affect their judgement as Directors of the Group. Their interests in the share capital of the Company are not considered to be likely to affect their judgement as Directors of the Group.

Annual report

The Directors consider that the annual report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

The Group is committed to respecting human rights in the countries in which we do business. We ensure, as far as we are able, that there is no slavery or human trafficking in any part of our supply chain.

Audit Committee Report

Audit Committee

Simon Barrell (Chair)

Rt. Hon. Sir Tony Baldry

Major General (Rtd) Graham Binns

I am pleased, as Chairman of the Audit Committee, to present its report for the eighteen months ended 30 June 2024.

The Committee's Terms of Reference were last reviewed and approved by the Board on 1 October 2024 and can be viewed on the Corporate Governance section of the Company's website (https://www.wsg-corporate.com/investor-relations/corporate-governance/)

The Terms of Reference are regularly reviewed by the Board and amended where appropriate.

This report details how the Audit Committee has met its responsibilities over the last eighteen months under its Terms of Reference and under the Quoted Companies Alliance Corporate Governance Code.

The Audit Committee focused particularly on the appropriateness of the Group's financial statements. The committee has satisfied itself, and has advised the Board accordingly, that the 30 June 2024 Report and financial statements are fair, balanced and understandable, and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

The Audit Committee oversees and reviews the Group's financial reporting and internal control processes, its relationship with external auditors and the conduct of the audit process together with its process for ensuring compliance with laws, regulations, and corporate governance. It also oversees and reports to the Board on the Group's Risk Management requirements.

There is currently no internal audit function as this would not be cost effective given the size of the Group, although this is kept under annual review.

Committee Membership

The Audit Committee is composed entirely of independent Non-Executive Directors but other individuals such as the Group's CFO and CEO and representatives of the finance team may be invited to attend all or any part of any meeting when deemed appropriate. The Company's external auditors are invited to attend meetings of the Committee on a regular basis.

Mark Hughes acts as Secretary to the Committee and minutes of meetings are circulated to all Committee members.

The biographies of current members can be found on pages 36 - 37. The Board considers that the committee as a whole has an appropriate and experienced blend of commercial, financial and industry expertise to enable it to fulfil its duties, and that the committee chairman, Simon Barrell, has appropriate recent and relevant financial experience.

Role and Responsibilities

The Board established an Audit Committee to monitor the integrity of the Company's financial statements and the effectiveness of the Group's internal financial controls. One of the Audit Committee's key responsibilities is to review the Group's financial risk management and internal controls systems, including internal financial controls. During the period, the committee carried out a robust assessment of the principal financial risks facing the company and monitored the internal control system on an on-going basis. The committee also reviewed the effectiveness of the external audit process as part of the continuous improvement of financial reporting and risk management across the Group.

The committee is responsible for monitoring the integrity of the Group's financial statements and reviewing the financial reporting judgements contained therein.

The committee's role and responsibilities are set out in the committee's terms of reference which are available from the Company. The Terms of Reference are regularly reviewed and amended where appropriate. During the period the committee worked with executives, the external auditors and other members of the senior management team in fulfilling these responsibilities.

Financial Reporting

The committee is responsible for monitoring the integrity of the Group's financial statements and reviewing the financial reporting judgements contained therein. The financial statements are prepared by a finance team with the appropriate qualifications and expertise. The committee confirmed to the Board that the annual report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

In respect of the eighteen months to 30 June 2024, the committee reviewed:

- the Group's Interim Report for the six months to 30 June 2023, 31 December 2023; and
- the Annual Report for the eighteen months ended 30 June 2024.

In carrying out these reviews, the committee:

- reviewed the appropriateness of Group accounting policies including monitoring changes to and compliance with accounting standards on an on-going basis;
- discussed with management and the external auditor the critical accounting policies and judgements that had been applied;
- discussed a report from the external auditor identifying the significant accounting and judgemental issues that arose in the course of the audit;
- considered the management representation letter requested by the auditor for any non-standard issues;
- monitored action taken by management as a result of any recommendations made by the external auditor;
- discussed with management future accounting developments which are likely to affect the financial statements;
- reviewed the budgets and strategic plans of the Group in order to ensure that all forward-looking statements made within the Annual Report reflect the actual position of the Group; and
- considered key areas in which estimates, and judgement had been applied in preparation of the financial statements including, but not limited to, a review of the carrying amount of goodwill, intangible assets and property, plant and equipment, litigation and warranty provisions, recoverability of trade receivables, valuation of inventory, hedge accounting treatments, treasury matters and tax matters.

The primary areas of judgement considered by the committee in relation to the Group's 30 June 2024 financial statements, and how they were addressed by the committee are set out on page 53.

Each of these areas received particular focus from the external auditor, who provided detailed analysis and assessment of the matter in their report to the committee.

Committee Evaluation

As outlined on page 38 within the Corporate Governance Statement, the performance of the Board also includes a review of the committees. Any recommendations raised in relation to the Audit Committee are acted upon in a formal and structured manner. No issues were identified for the eighteen months ended 30 June 2024.

Meetings

The Audit Committee met six times during the eighteen months ended 30 June 2024 to review the 31 Dec 2022 Financial Statements, the 2022 half-year results, to consider and accept the External Auditors plan for the 30 June 2024 audit.

Audit Committee Report

Audit Committee activities 2022	Mar 23	May 23	Aug 23	Sep 23	Mar 24	Jun 24
Financial reporting						
Review and approve preliminary & half-year / interim results				✓	✓	
Consider key audit and accounting issues and judgements. Approve going concern and viability statements	✓	✓				
Consider accounting policies and the impact of new accounting standards. Review management letter from auditors		✓				
Review any related party matters and intended disclosures		✓				
Review Annual Report and confirm if fair, balanced and understandable		✓				
External auditors						
Approval of year-end audit plan						✓
Approval of audit engagement letter and audit fees - UK						✓
Approval of audit engagement letter and audit fees - External, Sierra Leone						✓
Confirm auditor independence, materiality of fees, and non-audit services		✓				✓
Audit Clearance Meeting		✓				
Financial Results						
RNS version of 2022 accounts approval		✓				
Results release and Financial Statements approval		✓				
Draft Financial Report approval		✓				
Indicative half year results			✓	✓		
Interim results approval for release				✓	✓	
Internal audit and risk management controls						
Review of internal audit within Westminster			✓	✓		
Review of financial, IT and general controls			✓	✓		
Monitor Group whistleblowing procedures	✓					✓
Assessment of the principal risks and effectiveness of internal control systems	✓					✓
Governance						
Assurances as to corporate governance and Corporate Governance Code Compliance Accounting standards update			✓	✓		
Corporate governance update			✓	✓		
Evaluation of external audit functions			✓	✓		
Policy on the engagement of external auditors			✓	✓		
Review of General Risks						
Review of the General Risk Matrix	✓					✓
Review of Coronavirus Risk Assessment	✓					✓
AIM Rules Refresher Presentation						
Strand Hanson - undertook an AIM Rules refresher presentation					✓	

Primary areas of Judgement	Committee activity
Going concern	The financial statements are prepared on a going concern basis. In assessing whether the going concern assumption is appropriate, the Committee have considered all relevant available information about the future. As part of its assessment, the Committee reviewed and considered appropriate management's profit and cash forecasts, the likely continued support of the shareholders and the ability to affect costs and revenues. The Committee reviewed Directors' stress tests of revenue and utilisation assumptions included in the Group's cash projections for a period of at least 12 months from the date of approval of these financial statements. The Committee considered the Board's view that it believed the Group will generate sufficient working capital and cash flows to continue in operational existence and it will have the support of lenders and shareholders, if required. The Committee reviewed the Group's resources at the date of approving the financial statements, management's contingency planning and their projections for future trading, which together give a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, which for the avoidance of doubt is at least 12 months from the date of signing the financial statements. Thus, considering all of the above factors, the Committee agrees with the Director's decision to continue to adopt the going concern basis of accounting in the preparing the financial statements.
Goodwill	The committee considered the annual impairment assessment of goodwill prepared by management for each Cash Generating Unit using a discounted cash flow analysis based on the strategic plans approved by the Board, including a sensitivity analysis on key assumptions. The primary judgement areas were the achievability of the long-term business plans and the key macroeconomic and business specific assumptions. In considering the matter, the committee discussed with management the judgements made and the sensitivities performed. Further detail of the methodology is set out in Notes 2 and 9 to the financial statements.
Management override of controls	As with any SME we have reviewed the processes and systems in place during the audits including carrying out a review of board minutes of the Group and other management minutes in order to document the consideration and approval of all major decisions. We also reviewed journals processed, management estimates and judgements applied.
Revenue recognition	The committee reviewed the judgements applied by management in determining the recognition of revenue for the period to 30 June 2024. The Committee was satisfied that such judgements were appropriate, and any risk had been adequately addressed.
Deferred tax assets	The committee reviewed the judgements applied by management in determining the recognition of deferred tax for the period to 30 June 2024. The Committee was satisfied that considering the expected level of future profits such judgements were appropriate, and any risk had been adequately addressed.
Recoverability of Debtors	The committee considered the recoverability of material debit balances with third parties. The committee was satisfied that the amounts were recoverable, and any risk had been adequately addressed.
Subsidiary intercompany balances	The committee considered the recoverability of intercompany balances at a company level. The committee was satisfied that the amounts were recoverable, and any risk had been adequately addressed.

External Auditor

The Audit Committee has responsibility for overseeing the Group's relationship with the external auditor including reviewing the quality and effectiveness of their performance, their external audit plan and process, their independence from the Group, their appointment and their audit fee proposals.

The committee continues to monitor the performance and objectivity of the external auditors and takes this into consideration when making its recommendations to the Board on the remuneration, the terms of engagement and the re-appointment, or otherwise, of the external auditors.

Prior to commencement of the 30 June 2024 audit, the committee approved the external auditor's work plan and resources and agreed with the auditor's various key areas of focus, including impairments, as well as a particular focus on certain higher risk jurisdictions.

Audit Committee Report

During the eighteen months, the committee met with the external auditor without management being present. This meeting provided the opportunity for direct dialogue and feedback between the committee and the auditor, where they discussed inter alia some of the key audit management letter points.

The committee received confirmation from the auditor that they are independent of the Group under the requirements of the Financial Reporting Council's Ethical Standards for Auditors. The auditor also confirmed that they were not aware of any relationships between the Group and the firm or between the firm and any persons in financial reporting oversight roles in the Group that may affect its independence.

Non-audit services

In order to further ensure independence, the committee has a policy on the provision of non-audit services by the external auditor that seeks to ensure that the services provided by the external auditor are not, or are not perceived to be, in conflict with auditor independence. The committee decided in 2020 to strengthen this independence by asking the Group to appoint a separate firm in the UK (Ellacotts) as UK tax advisors. It also continued to monitor independence by obtaining an account of all relationships between the external auditor and the Group, and by reviewing the economic importance of the Group to the external auditor by monitoring the audit fees as a percentage of total income generated from the relationship with the Group, the committee ensured that the independence of the external audit was not compromised. During 2022 the committee had reviewed and updated its policy on the engagement of external auditors and the provision of non-audit services in order to bring it into full compliance with the EU audit reform legislation. An analysis of fees paid to the external auditor, including the non-audit fees, is set out in Note 5 and detailed below.

Since 2020 the UK and Group audit has been performed by PKF Littlejohn LLP. The overseas audit is performed by Moore Sierra Leone (£19,000).

There are no Non Audit Services.

Internal Audit

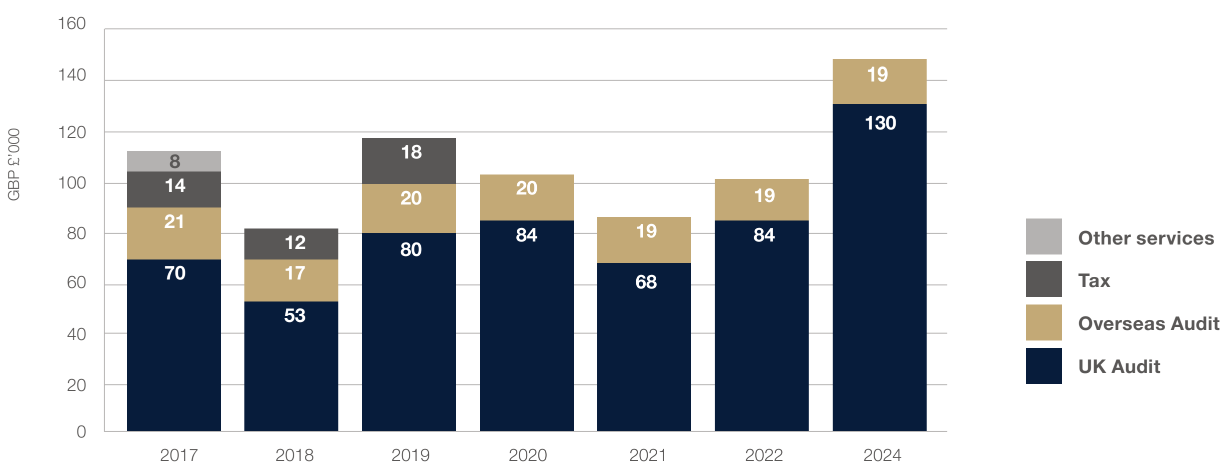
The committee reviewed the need for an internal function and concluded that given the size and profitability of the Group an internal audit function was not cost effective. However, the committee is keeping this under review and at an appropriate moment will look to establish an internal audit function.

Internal Control

The Audit Committee has been delegated, from the Board, the responsibility for monitoring the effectiveness of the Group's system of internal control.

The Audit Committee monitors the Group's risk management and internal control processes through detailed discussions with, the Risk Committee, management and Executive Directors, review of the external audit reports, as part of the period-end audit, all of which highlight the key areas of control weakness in the Group. All weaknesses identified by either internal or external audit are discussed by the committee with Group management and an implementation plan for the targeted improvements to these systems is put in place.

Audit v Non-Audit Services



The committee decided to strengthen this independence by asking the Group to appoint a separate firm in the UK (Ellacotts) as UK tax advisors.

The Group's system of risk management and internal control were in place throughout the accounting period and remain in place up to the date of approval of this Annual Report.

The main features of the Group's internal control and risk management systems that specifically relate to the Group's financial reporting and accounts consolidation process are set out in the Corporate Governance Report on page 42.

On behalf of the Board

Simon Barrell
Chairman of the Audit Committee

5 November 2024

Governance report

Nomination Committee Report

As Chairman of the Nomination Committee, I am pleased to present the report of the committee for the eighteen months ended 30 June 2024.

The Committee's Terms of Reference were last reviewed and approved by the Board on 1 October 2024 and can be viewed on the Corporate Governance section of the Company's website. (https://www.wsg-corporate.com/investor-relations/corporate-governance/)

The Terms of Reference are reviewed by the Board annually and amended where appropriate.

Committee Membership

The Nominations Committee is composed of independent Non-Executive Directors with the exception of the Group CEO but other individuals such as other Board Directors or the HR manager may be invited to attend all or any part of any meeting when deemed appropriate.

Mark Hughes acts as Secretary to the Committee and minutes of meetings are circulated to all Committee members.

The key responsibilities of the Nomination Committee are:

- To annually review the structure, size and composition (including skills, knowledge, experience and diversity) of the Board as well as the leadership needs of the Company, both executive and non-executive, with a view to ensuring the continued ability of the Company to compete effectively in the marketplace;
- To review the balance of the Board and its committees, and consider Non-Executive Directors' independence, whether the balance between non-executive and executive directors remains appropriate, and whether the Board has the requisite skills and experience to oversee delivery of the agreed strategy for the Group;
- Identify any training needs of Executive Directors and Non-Executive Directors;
- Review annual board evaluation results and make recommendations to the board for implementation;

Nomination Committee

Major General (Rtd) Graham Binns (Chair)

Simon Barrell

Peter Fowler

We continue to monitor the skills, knowledge, experience and diversity of the Board and its committees and considered it appropriate for our size and current activities.

- Identify and nominate for the approval of the Board, candidates to fill board vacancies as and when they arise;
- Review annually the time required from a Non-Executive Director. Performance evaluation should be used to assess whether the non-executive director is spending enough time to fulfil their duties; and
- Review the Company's succession plans for directors and senior management and make recommendations as appropriate.

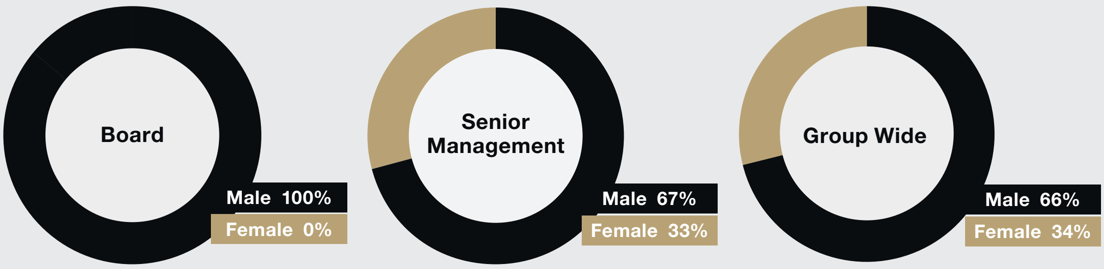
Members of the Committee do not participate in any discussions relating to their own appointment, re-appointment or replacement.

30 June 2024 Activity

During the eighteen months the Committee performed the activities summarised below:

Nominations Committee Activities 30 June 2024	Feb	Mar	Jun	Sep	Oct
Board Evaluation					
Directors complete board evaluation survey	✓				
Consolidated board evaluation results produced & circulated		✓			
Board review of consolidated results			✓		
Review of Board skills to deliver agreed strategy			✓		
Identify & organise any board member training required			✓		
Review Board & its Committees					
Review balance Execs & Non-Exec's on Board & Committees			✓		
Review Committee Chairs & Membership			✓		
Consider Non-Executive Directors Independence				✓	
Consider the amount of time Chairman & Non-Execs require to fulfil their duties				✓	
Consider if Chairman Non-Execs are spending enough time to fulfil their duties				✓	
Review Succession Plans					
Review Board Succession plans				✓	
Review Senior Non-Main Board Directors & Senior Managers Succession plans				✓	
Board Members – Vacancies (when required)					
Identify & Nominate Candidates to the board					

GENDER



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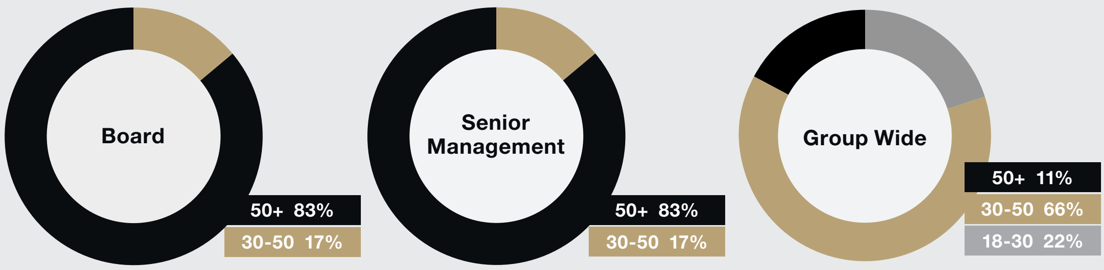

We continue to monitor the skills, knowledge, experience and diversity of the Board and its committees and considered it appropriate for our size and current activities. The diversity of our Board, our senior management and the Group as a whole are shown in the charts. The skills matrix for the Board can be found on page 41.

We also continue to have oversight of succession. At our stage of development, we feel our succession planning is adequate, but it is an area we are monitoring carefully and will continue to advise the Board accordingly.

On behalf of the Board

Major General (Rtd) Graham Binns
Chairman of the Nomination Committee

5 November 2024

Governance report

Remuneration Committee Report

Remuneration Committee

Simon Barrell (Chair)

Major General (Rtd) Graham Binns

Rt. Hon. Sir Tony Baldry

As Chairman of the Remuneration Committee, I am pleased to present the report of the committee for the eighteen months ended 30 June 2024.

The Terms of Reference are reviewed by the Board annually and amended where appropriate.

The Committee's Terms of Reference were last reviewed and approved by the Board on 1 October 2024 and can be viewed on the Corporate Governance section of the Company's website. (https://www.wsg-corporate.com/investor-relations/corporate-governance/)

As a Company whose shares are admitted to trading on AIM, the preparation of a Remuneration Committee report is not an obligation. The Group has, however, sought to provide information that is appropriate to its size and organisation.

Committee Membership

The Remuneration Committee is composed entirely of independent Non-Executive Directors but other individuals such as the Group's Chairman and CEO may be invited to attend all or any part of any meeting when deemed appropriate.

Mark Hughes acts as Secretary to the Committee and minutes of meetings are circulated to all Committee members.

Executive Directors' Remuneration Policy

The Remuneration Committee is responsible for establishing a formal and transparent procedure for developing policy on executive remuneration and to set the remuneration packages of individual Directors. This includes agreeing with the Board the framework for remuneration of the Chief Executive, all other Executive Directors, and such other members of the executive management of the Company as it is designated to consider. It is furthermore responsible for determining the total individual remuneration packages of each Director, including, where appropriate, bonuses, incentive payments and share options.

The Committee's policy is to provide a remuneration package which will attract and retain Directors and management with the ability and experience required to manage the Group and to provide superior long-term performance. It is the aim of the Committee to reward Directors competitively and on the broad principle that their remuneration should be in line with the remuneration paid to senior management of comparable companies. There are four main elements of the remuneration package for Executive Directors: base salary, share options, benefits and annual bonus. Notice periods for Executive Directors are 12 months.

Base salary is reviewed annually and in setting salary levels the Remuneration Committee considers the experience and responsibilities of the Executive Directors and their personal performance during the previous eighteen months. The Committee also takes account of external market data, as well as the rates of increases for other employees within the Group.

Share options are granted having regard to an individual's seniority within the business and are designed to give Directors and staff an interest in the increase in the value of the Group. Refer to page 52 and note 21 on page 94 for details of grants in the eighteen months to 30 June 2024.

Benefits primarily comprise the provision of company cars, or car allowance, pension payments, health insurance and participation in the Group life assurance scheme.

All Executive Directors and executive management participate in the Group's annual bonus scheme, which is based upon the assessment of individual performance, subject to the Group achieving profitability commensurate with its revenues and capital employed.

The Committee's policy is to provide a remuneration package which will attract and retain Directors and management with the ability and experience required to manage the Group and to provide superior long-term performance.

Exclusions

The terms of reference of the Committee do not encompass:

- decisions to employ or dismiss Executives which is a matter for the Board; or
- deliberate on the remuneration of any Non-Executive Director, which is a matter for the Board; or
- responsibility for nominations to the Board which is a matter for the Nominations Committee.

This report details how the Remuneration Committee has fulfilled its responsibilities under its Terms of Reference and under the QCA Corporate Governance Code 2018. The report sets out the Company's remuneration policy, how the policy will be applied in 2025, gives details of the remuneration outcomes for 30 June 2024, and describes the workings of the Remuneration Committee during the eighteen months.

Remuneration Outcomes for 30 June 2024 and Remuneration Policy for 2025

Executive Directors' remuneration

Executive Directors' remuneration is determined by the Remuneration Committee.

There have been no changes in Executive Directors' salary and entitlements since 2014. Looking forward the Committee is aiming to bring the remuneration more in line with the market and to introduce a Long-Term Incentive Plan for the directors and key staff.

Non-Executive Directors' remuneration

Non-Executive Directors' remuneration is determined by the Board as a whole, each refraining from determining his own remuneration. The fees paid to Non-Executive Directors are set at a level intended to attract individuals with the necessary experience and ability to make a significant contribution to the Group.

It is anticipated that Non-Executive Directors will spend an average of 2 days a month undertaking their Role and Duties. This will include attendance at board meetings, the AGM, one annual board away day a year and at least one site visit a year. They also attend periodic Audit, Disclosure, Nominations and Remuneration Committee meetings. They are required to spend time considering all relevant papers prior to each meeting.

In addition to the above they may be required to devote additional time to the Company when it is undergoing a period of particularly increased activity and may be required to support the Company by attending meetings with clients and advisors etc. both within the UK and overseas.

In addition to the above they may be required to devote additional time to the Company when it is undergoing a period of particularly increased activity and may be required to support the Company by attending meetings with clients and advisors etc. both within the UK and overseas.

The service contracts of the Non-Executive Directors specify the following:

Non-Executive Directors are allowed to claim reasonable expenses and receive payments for additional days worked on authorised projects over the contractual 2 days per month.

Non-Executive Directors	Severance	Notice	Contractual fees (pa) £'000
Sir Anthony Baldry	None	6 months	76
Simon Barrell	None	3 Months	24
Graham Binns	None	3 months	24

Remuneration Committee Report

Board Balance, Time Commitment and Meetings

The Board contains an almost equal balance of Executive and Non-Executive Directors, including a Non-Executive Chairman who is responsible for dealing with the strategic direction and long-term success of the Company. The Board will meet every two months or at any other time deemed necessary for the good management of the business and at a location agreed between the Board members. The Non-Executive Directors are all considered independent Directors.

Executive and Non-Executive Directors' remuneration package and interest in share capital

Details of the Executive and Non-Executive Directors' remuneration and interest in share capital for the eighteen months ended 30 June 2024 are as follows:

	Basic £'000	Employers Pension £'000	Benefit in kind £'000	Group NI £'000	Total cost of employment 2023/24 18 months £'000	Total cost of employment 2022 12 months £'000
Executive Directors						
Peter Fowler	248	-	27	40	315	206
Mark Hughes	180	5	-	26	211	138
Stuart Fowler	165	-	3	24	192	126
	593	5	30	90	718	470
Non-Executive Directors						
Sir Anthony Baldry	114	-	-	17	131	87
Mawuli Ababio	8	-	-	-	8	24
Simon Barrell	36	1	-	5	42	27
Graham Binns	36	-	-	5	41	27
	194	1	-		222	165

	1 January 2023	Purchased in th 18 months	30 June 2024
Sir Anthony Baldry	176,991	-	176,991
Peter Fowler and Mrs P J	8,076,211	-	8,076,211
Mark Hughes	1,353,500	-	1,353,500
Stuart Fowler	541,618	-	541,618
Simon Barrell	375,000	-	375,000
Major General (Rtd) Graham	434,782	-	434,782
	10,958,102	-	10,958,102

No options were exercised during the eighteen months and no cash benefit was therefore received by the Directors.

The Executive and Non-Executive Directors who held office during the eighteen months had no interests in the shares or loan stock of the Company or any of its subsidiaries except for the following holdings of ordinary shares in the Company:

In addition to the interests disclosed above, the following Executive and Non-Executive Directors had options to acquire ordinary shares of 10p each in the Company granted under the 2007 Share Option Scheme.

	Grant Price	Market Price at Date of Grant	01 January 2023	Awarded	Waved or Lapsed	30 June 2024	Date from which exercisable	Expiry Date
Sir Anthony Baldry	13p	13p	750,000	-	750,000	-	01 June 2019	31 May 2028
Sir Anthony Baldry	1.95p	1.95p	-	1,500,000	-	1,500,000	13 Jan 2025	11 Jan 2033
Peter Fowler	28.5p	25.5p	781,250	-	781,250	-	10 June 2016	09 June 2024
Peter Fowler	13p	13p	1,750,000	-	1,750,000	-	01 June 2019	31 May 2028
Peter Fowler	1.95p	1.95p	-	3,500,000	-	3,500,000	13 Jan 2025	11 Jan 2033
Mark Hughes	13p	10.25p	750,000	-	750,000	-	08 Nov 2019	07 Nov 2028
Mark Hughes	1.95p	1.95p	-	1,500,000	-	1,500,000	13 Jan 2025	11 Jan 2033
Stuart Fowler	28.5p	25.5p	625,00	-	625,000	-	10 June 2016	09 June 2024
Stuart Fowler	13p	13p	750,000	-	750,000	-	01 June 2019	31 May 2028
Simon Barrell	1.95p	1.95p	-	250,000	-	250,000	13 Jan 2025	11 Jan 2033
Graham Binns	1.95p	1.95p	-	250,000	-	250,000	13 Jan 2025	11 Jan 2033

The market price of the shares at 30 June 2024 was 2.45p and the range during the period was 1.03p to 4.24p.

Sir Tony Baldry, Peter Fowler, Mark Hughes, and Stuart Fowler have by mutual consent with the Company waived their rights to all outstanding option awards granted in 2014 and 2018 totalling 5,406,250 options, and these share options are now treated as lapsed.

The current outstanding options were granted to the Directors at a price of 1.95p under the Company's 2017 Share Option Scheme. They can be exercised at any time from the second anniversary of the date of grant up to the tenth anniversary of that date. Save for a change of control in the Company, vesting is subject to the Company's share price being at 5p or above at close of business on any five consecutive trading days after the date of grant, which represents over 250% of the exercise price.

RemCo Committee Activities 2023 - 2024	January 2023	June 2024
Remuneration Policy		
Consideration of Group's financial situation	✓	✓
Update on remuneration trends generally		✓
Review of overall remuneration policy		✓
Execs & Non-Execs Salary Review		
Review Executive salaries for 2021	✓	
Review Non - Executive fees for 2021	✓	
Review Executive salaries for 2022		✓
Review Non - Executive fees for 2022		✓
Performance Pay & Long-term Incentive Plan Options		
Consideration ans Approval of Proposed Share options	✓	✓
Directors Shareholding Review		
Directors Shareholding Review	✓	✓

On behalf of the Board

Simon Barrell

Chairman of the Remuneration Committee

5 November 2024

Directors' Report

The Directors of Westminster Group PLC (Company Number: 03967650) present their annual report and the audited financial statements for the eighteen months ended 30 June 2024.

Change of accounting reference date

The group has changed its accounting reference date and financial year end from 31 December to 30 June. These accounts are for 18-months to 30 June 2024 whereas the comparatives are for the 12-months to 31 December 2022, therefore the amounts presented in the financial statements are not entirely comparable.

The reason for the change of accounting reference date is to, inter alia, better align the Group's reporting periods with the financial dynamics of the long-term contracts signed within the managed services business over recent times, along with targeted further growth in this particular division.

Principal activities

Westminster Group PLC is a specialist security and services group operating worldwide through an extensive international network of agents and contacts in over 50 countries.

Westminster's principal activity is the design, supply and ongoing support of advanced technology security solutions, encompassing a wide range of surveillance, detection, tracking and interception technologies and the provision of long-term managed services contracts such as the management and running of complete security services and solutions in airports, ports and other such facilities, together with consultancy and training services. The majority of its customer base, by value, comprises governments and government agencies, non-governmental organisations (NGOs) and blue-chip commercial organisations.

The Directors who held office during the eighteen months were as follows

Executive Directors
Peter Fowler
Stuart Fowler
Mark Hughes

Non-Executive Directors
Rt Hon Sir Tony Baldry
Mawuli Ababio (Resigned 26th June 2023)
Simon Barrell
Major General (Rtd) Graham Binns

Review of business, future developments and key performance indicators

A full review of the business and future development, incorporating key performance indicators, is set out in the Chief Executive Officer's Strategic Report and the Chief Financial Officer's statement on pages 18 to 21.

Risk management objectives and strategy

The Group's corporate governance objective is to build a risk management framework across the Group. Local operations prepare relevant local risk registers which are then reviewed by a committee of executive Group management who then in turn report to the Audit Committee who in turn report to the main Board. Clear channels of communication exist to ensure that risk management objectives are communicated across the company and that risks are reported up to the Board and relevant management. External auditors are used where necessary, and the Group will consider the need to establish an internal audit process as the Group expands. This may include operational reviews (such as compliance with aviation security standards) as well as the traditional financial and compliance aspects.

Results and dividends

The Group's results for the financial period are set out in the Consolidated Statement of Comprehensive Income.

The Directors do not recommend the payment of a dividend (31 Dec 2022: £nil).

The group made charitable donations of £744 (31 December 2022: £3,802)

Directors' interests in share capital and share options

Details of the Directors' interests in share capital and share options are contained in the Remuneration Committee report.

Other significant interests in the Company

At 5 November 2024, those shareholders, other than Directors, who had disclosed to the Company an interest of more than 3 % of the issued share capital, are set out as follows.

Name of shareholder	Share Holding	Percentage
Pantheon A Family Office Limited	24,833,333	7.07
Spreadex Ltd	20,277,047	5.77
Janus Henderson	12,500,000	3.56

Policy on payments to suppliers

It is a policy of the Group in respect of all suppliers, where reasonably practical, to agree the terms of payment with those suppliers when agreeing the terms of each transaction and to abide by them. The ratio of amounts owed by the Group to trade creditors at the period-end represented 106 days (31 Dec 2022: 51 days).

Share price

During the period to 30 June 2024 the Group's share price ranged from 1.03p to 4.24p and the share price at 30 June 2024 was 2.45p (31 Dec 2022: 1.80p).

Directors' and officers' liability insurance

The Company, as permitted by sections 234 and 235 of the Companies Act 2006, maintains insurance cover on behalf of the Directors and Company Secretary indemnifying them against certain liabilities which may be incurred by them in relation to the Company.

Post balance sheet events

These are detailed in note 29 to the financial statements.

Going concern

As detailed in note 2 to the financial statements, the financial statements are prepared on a going concern basis. In assessing whether the going concern assumption is appropriate, management have considered all relevant available information about the future. As part of its assessment, management have considered the profit and cash forecasts, the continued support of the shareholders and Directors' and management's ability to affect costs and revenues. Management regularly forecast results, financial position and cash flows for the Group.

The Directors have therefore reviewed the Group's resources taking into account the continuing, if diminishing, issues caused by the pandemic at the date of approving the financial statements, and their projections for future trading, which give a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, which for the avoidance of doubt is at least 12 months from the date of signing the financial statements.

Auditor

In so far as each of the Directors is aware:

- There is no relevant audit information of which the Company's auditor is unaware, and
- The Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board.

Peter Fowler
Director

Mark L W Hughes
Director

5 November 2024

Governance report

Statement of Directors' Responsibilities

Directors' responsibilities statement

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

Company law requires the Directors to prepare Group and parent Company financial statements for each financial period. Under that law the Directors have prepared the Group financial statements in accordance with UK-adopted international Accounting Standards in conformity with the requirements of the Companies Act 2006. 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 Company and of the profit or loss of the Group and Company for that period. The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

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

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK-adopted IAS have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group 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.

Website publication

The Directors are responsible for ensuring that the Annual Report and financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

On behalf of the Board.

Peter Fowler
Director

Mark L W Hughes
Director

5 November 2024

Independent Auditor's Report

to the Members of Westminster Group PLC

Opinion

We have audited the financial statements of Westminster Group PLC (the 'parent company') and its subsidiaries (the 'group') for the period ended 30 June 2024 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statement of Financial Position, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 2024 and of the group's loss for the period then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and 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 as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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. Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included a review of the group's forecast financial information up to 30 November 2025, as well as obtaining the post period-end management accounts for review. Refer to the Key Audit Matters section of this report for further information on how we evaluated the directors' assessment of the going concern basis of accounting and the entity's ability to continue as a going concern.

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 or 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.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We determined materiality for the financial statements as a whole to be £139,000 for the group financial statements, based on 1.5% of group revenue (2022: £143,000 based on 1.50% of group revenue).

We consider revenue to be the most relevant determinant of the group's financial position and performance used by shareholders. The group continues to seek new opportunities to expand the business through the signing of new contracts in their target regions.

We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £6,950 (2022: £7,150) in addition to other identified misstatements that warranted reporting on qualitative grounds for both group and parent company.

Materiality for the financial statements of the parent company was set at £138,999 (2022: £142,999). Parent company materiality is based on net assets as the main driver of the parent company is the underlying performance of the subsidiaries. Materiality is capped at a level below Group materiality.

Whilst materiality for the financial statements of the group was set at £139,000, each significant component of the group was audited to an overall materiality ranging between £7,000 to £138,999 (2022: £3,000 to £142,999) with performance materiality set at 70% (2022: 70%) for the group and all components of the group individually. 70% has been deemed a suitable threshold as the audit has been deemed medium risk. We applied the concept of materiality both in planning and performing the audit, and in evaluating the effect of misstatements.

Our approach to the audit

In designing our audit we determined materiality, as above, and assessed the risk of material misstatement in the financial statement. We addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represents a risk of material misstatement due to fraud.

A full scope audit was performed on the complete financial information of the group's significant operating components located in Sierra Leone and United Kingdom.

As the group auditor, we were responsible for the scope of direction of the audit process. The group's Sierra Leone operation was audited by a component auditor. The audit team discussed significant events occurring during the period and post period-end with the component auditor and performed a review of the component auditor's working papers, including review of planning and completion stage group reporting. All other work was performed by PKF Littlejohn LLP.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report

to the Members of Westminster Group PLC

Key Audit Matter	How our scope addressed this matter
Revenue recognition (See Note 2) Under ISA (UK) 240 there is a rebuttable presumption that revenue recognition is a fraud risk. The group has several different revenue streams under the main trading entities, Westminster International (WI), Westminster Aviation Security Services (WASS) and Keyguard UK Limited. There is a risk regarding the completeness and accuracy of revenue.	In addition to the procedures required by ISA (UK) 240, our work in this area included: • Updating our understanding of the information system and related controls relevant to each material income stream. Undertaking walkthrough testing to ensure that the key controls within these systems have been operating in the period under audit; • Substantive transactional testing of income recognised in the financial statements, including deferred and accrued income balances recognised at the period-end; and • A review of post-period end receipts to ensure completeness of income recorded in the accounting period.
Going concern (See Note 2) When preparing financial statements, those charged with governance should satisfy themselves as to whether the going concern basis is appropriate. ISA (UK) 570 "Going concern" specifically requires the auditor to conclude on: whether a material uncertainty related to going concern exists; the appropriateness of the directors use of the going concern assumption in the preparation of the financial statements; and the appropriateness of any relevant disclosures in the financial statements. We therefore require the directors to make their assessment of going concern at their meeting prior to the preparation of the financial statements which must cover a period of at least 12 months from the date the financial statements will be approved. In making this assessment they will need to consider budgets, cash flow forecasts and projections.	It is a requirement of International Financial Reporting Standards that, in determining that the going concern basis is appropriate, the directors must consider a period of at least 12 months from the date of approval of the financial statements. In order for us to satisfy the requirements of ISA (UK) 570 in our audit we reviewed the details of management's assessment. We evaluated this assessment and considered its appropriateness in light of our understanding of the Group and the work we are required to perform under ISA (UK) 570. Procedures we performed included: • Reviewing budgets/forecasts, checking mathematical accuracy and comparing with available post period-end results; • Challenging management assumptions used in formulating the cash flow forecasts; • Ensuring appropriate disclosures have been made in the financial statements surrounding the going concern position; • Reviewing post year end information such as management accounts and balances. • Considering the timing as to when new revenue stream will be cash generating and challenge management thereon. • Reviewing and challenging management's sensitivity analysis embedded within the Going concern model Management's sensitivities revolved around the production of a cash flow model with a worst case scenario in relation to income and expenses

Key Audit Matter	How our scope addressed this matter
Carrying value of investments in subsidiaries and intercompany receivables (applies to Westminster Group Plc [company only] & WASS) – (See Note 2) The companies have investments in subsidiary companies and related intercompany receivable balances. At the end of each period the Directors carry out an impairment review of the Company's investment in subsidiaries and intercompany receivables. There is a risk that these investments in subsidiaries and intercompany receivables are not fairly valued given that management's valuation is subject to significant judgements and estimates.	Our work in this area included: • Reviewing management's impairment assessment, including critically assessing the key drivers/inputs and challenging management assumptions, • Agreeing investment holdings to supporting documentation to confirm ownership, and • Considering the amounts due from Westminster Aviation Security Services Limited rolled up with Westminster Operating Limited and other companies reliant on the same income stream and challenging management on the recoverability of these amounts including key estimates and judgements made, and • Obtaining representation from management in relation to Facilities Operations Management loans being recoverable from Westminster Sierra Leone. Based on the procedures performed, we note that the recoverability of some of the debtor balances are reliant on management's expectation of future trading.

Independent Auditor's Report

to the Members of Westminster Group PLC

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the group and parent company 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the group and parent company 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 group and parent company financial statements, the directors are responsible for assessing the group 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.

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 obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management and review of board minutes amongst other procedures.
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from:
    - AIM Rules
    - Local industry regulations in Sierra Leone
    - Local tax and employment law in Sierra Leone and UK
    - Companies Act 2006
    - UK-adopted IAS
    - GDPR
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to:
    - Enquiries of management
    - Review of Board minutes
    - Review of legal expenses
    - Review of RNS announcements
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Timothy Harris (Senior Statutory Auditor)

For and on behalf of PKF Littlejohn LLP

Statutory Auditor

6 November 2024

15 Westferry Circus
Canary Wharf
London E14 4HD

Consolidated Statement of Comprehensive Income

for the eighteen months ended 30 June 2024

	Note	18 months to 30 June 2024	Restated 12 months to 31 December 2022
		£'000	£'000
REVENUE	3	9,051	8,579
Cost of sales		(3,660)	(3,936)
GROSS PROFIT		5,391	4,643
Operating expenses		(7,320)	(5,378)
(LOSS) /PROFIT FROM OPERATIONS		(1,929)	(735)
Analysis of operating loss			
Profit from operations		(1,929)	(735)
Add back amortisation	10	72	56
Add back depreciation	11	317	196
Add back share based expense		67	-
Add back exceptional items		-	-
EBITDA^ Profit / (Loss) from underlying operations		(1,473)	(483)
Other income / (losses)	18	(1,013)	-
Finance costs - net	4	(209)	(40)
Loss before Tax		(3,151)	(775)
Tax	6	41	354
Loss for the period/year from continuing operations		(3,110)	(421)
Discontinued operations loss after tax for the year from discontinued operations	28	(1,263)	410
LOSS FOR THE PERIOD		(4,373)	(11)
LOSS AND TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:			
Members of the parent entity		(4,249)	121
Non controlling interests		(124)	(132)
LOSS FOR THE PERIOD		(4,373)	(11)
OTHER COMPREHENSIVE INCOME			
Revaluation of freehold property		205	-
Deferred tax on revaluation		(51)	-
TOTAL COMPREHENSIVE INCOME		154	-
			-
LOSS AND TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(4,219)	(11)
LOSS AND TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:			
Members of the parent entity		(4,095)	121
Non controlling interests		(124)	(132)
LOSS AND TOTAL COMPREHENSIVE LOSS		(4,219)	(11)
Basic and diluted loss per share from operations	8	(1.32p)	(0.00p)

The accompanying notes form part of these financial statements.

^ *This is an Alternative Performance Measure refer to Note 2 for further details*

Financial statements

Consolidated and Company Statements of Financial Position

for the eighteen months ended 30 June 2024

	Note	Group 30/06/2024 £'000	Group 31/12/22 £'000	Company 30/06/24 £'000	Group 31/12/22 2022
Goodwill	9	**614**	615	**-**	-
Other intangible assets	10	**26**	106	**17**	84
Property, plant and equipment	11	**1,867**	1,825	**1,222**	1,087
Investment in subsidiaries	13	**-**	-	**-**	-
Deferred tax asset	16	**1,304**	1,308	**-**	-
TOTAL NON-CURRENT ASSETS		**3,811**	3,854	**1,239**	1,171
Inventories	17	**655**	485	**-**	-
Trade and other receivables	18	**2,160**	4,808	**9,694**	10,683
Cash and cash equivalents	19	**977**	289	**780**	(59)
TOTAL CURRENT ASSETS		**3,792**	5,582	**10,474**	10,624
Non current receivable	18	**-**	593	**-**	
TOTAL ASSETS		**7,603**	10,029	**11,713**	11,795
Called up share capital	20	**331**	331	**331**	331
Share based payment reserve		**851**	964	**851**	964
Revaluation reserve		**293**	139	**293**	139
Equity reserve on convertible		**22**	-	**22**	-
Retained earnings:					
At 1 January		**6,503**	6,340	**9,362**	9,307
(Loss)/profit for the year		**(4,249)**	121	**(1,712)**	(23)
Other changes in retained earnings		**239**	42	**180**	78
At period end		**2,493**	6,503	**7,830**	9,362
(DEFICIT)/EQUITY ATTRIBUTABLE TO:					
OWNERS OF THE COMPANY		**3,990**	7,937	**9,327**	10,796
NON-CONTROLLING INTEREST		**(646)**	(522)	**-**	-
TOTAL (DEFICIT)/EQUITY		**3,344**	7,415	**9,327**	10,796
Borrowings	22	**1,098**	27	**978**	-
Deferred tax liability		**-**	-	**51**	-
TOTAL NON-CURRENT LIABILITIES		**1,098**	27	**1,029**	-
Borrowings	22	**994**	195	**-**	-
Contractual liabilities	23	**120**	80	**-**	-
Trade and other payables	23	**2,047**	2,312	**1,357**	999
TOTAL CURRENT LIABILITIES		**3,161**	2,587	**1,357**	999
TOTAL LIABILITIES		**4,259**	2,614	**2,386**	999
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**7,603**	10,029	**11,713**	11,795

The accompanying notes form part of these financial statements. The Company has taken advantage of the exemption under Section 408 of the Companies Act 2006 from presenting its own profit and loss account. The Company made a loss of £1,712,000 in 30 June 2024, (31 Dec 2022: £24,000 loss). The Group and Company financial statements were approved by the Board and authorised for issue on 5 November 2024 and signed on its behalf by:

Peter Fowler
Director

Mark L W Hughes
Director

Financial statements

Consolidated Statement of Changes in Equity

For the eighteen months ended 30 June 2024

	Called up share capital	Share premium account	Merger relief reserve	Share based payment reserve	Revaluation reserve	Equity reserve on convertible loan note	Retained earnings	Total	Non-controlling interest	Total
	£'000	£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000
AS AT 1 JANUARY 2023 as previously stated	**331**	**-**	**-**	**964**	**139**		**6,503**	**7,937**	**(522)**	**7,415**
Convertible loan note issued	-	-	-	-	-	22	-	22	-	22
Share based payment charge	-	-	-	67	-	-	-	67	-	67
Lapse of share options	-	-	-	(66)	-	-	66	-	-	-
Lapse of warrants	-	-	-	(114)	-	-	114	-	-	-
Other movements in equity (mainly FX)	-	-	-	-	-	-	59	59	-	59
TRANSACTIONS WITH OWNERS	**-**	**-**	**-**	**(113)**	**-**	**22**	**239**	**148**	**-**	**148**
Total comprehensive expense	**-**	**-**	**-**	**-**	**-**	**-**	**(4,249)**	**(4,249)**	**(124)**	**(4,373)**
Revaluation of group property	-	-	-	-	205	-	-	295	-	205
Deferred tax impact on reserves	-	-	-	-	(51)	-	-	(51)	-	(51)
Total other comprehensive income	**-**	**-**	**-**	**-**	**154**	**-**	**-**	**154**	**-**	**154**
Total comprehensive income / (loss)	**-**	**-**	**-**	**-**	**154**	**-**	**(4,249)**	**(4,095)**	**(124)**	**(4,219)**
AS AT 30 JUNE 2024	**331**	**-**	**-**	**851**	**293**	**22**	**2,493**	**3,990**	**(646)**	**3,344**

	Called up share capital	Share premium account	Merger relief reserve	Share based payment reserve	Revaluation reserve	Equity reserve on convertible loan note	Retained earnings	Total	Non-controlling interest	Total
	£'000	£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000
AS AT 1 JANUARY 2022	**331**	**-**	**-**	**1,043**	**139**	-	**6,340**	**7,853**	**(390)**	**7,463**
Lapse of share options	-	-	-	(79)	-	-	79	-	-	-
Other movements in equity	-	-	-	-	-	-	(37)	(37)	-	(37)
TRANSACTIONS WITH OWNERS	**-**	**-**	**-**	**(79)**	**-**	-	**42**	**(37)**	**-**	**(37)**
Total comprehensive expense for the year	-	-	-	-	-	-	121	121	(132)	(11)
AS AT 31 DECEMBER 2022	**331**	**-**	**-**	**964**	**139**	-	**6,503**	**7,937**	**(522)**	**7,415**

Financial statements

Company Statement of Changes in Equity

For the eighteen months ended 30 June 2024

	Called up share capital	Share premium account	Merger relief reserve	Share based payment reserve	Revaluation reserve	Equity reserve on convertible loan note	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000		£'000	£'000
AS AT 1 JANUARY 2023	**331**	**-**	**-**	**964**	**139**	**-**	**9,362**	**10,796**
Convertible loan note issued	-	-	-	-	-	22	-	**22**
Share based payment charge	-	-	-	67	-	-	-	**67**
Lapse of share options	-	-	-	(66)	-	-	66	-
Lapse of warrants	-	-	-	(114)	-	-	114	-
TRANSACTIONS WITH OWNERS	**-**	**-**	**-**	**(113)**	**-**	**22**	**180**	**294**
Total comprehensive expense	**-**	**-**	**-**	**-**	**-**	**-**	**(1,712)**	**(1,712)**
Revaluation of group property	-	-	-	-	205	-	-	**205**
Deferred tax impact on reserves	-	-	-	-	(51)	-	-	(51)
Total other comprehensive income	**-**	**-**	**-**	**-**	**154**	**-**	**-**	**154**
Total comprehensive income / (loss)	**-**	**-**	**-**	**-**	**154**	**-**	**(1,712)**	**(1,558)**
AS AT 30 JUNE 2024	**331**	**-**	**-**	**851**	**293**	**22**	**7,830**	**9,327**

	Called up share capital	Share premium account	Merger relief reserve	Share based payment reserve	Revaluation reserve	Equity reserve on convertible loan note	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000		£'000	£'000
AS AT 1 JANUARY 2022	**331**	**-**	**-**	**1,043**	**139**	-	**9,307**	**10,820**
Lapse of share options	-	-	-	(79)	-	-	79	-
TRANSACTIONS WITH OWNERS	**-**	**-**	**-**	**(79)**	**-**	-	**79**	**-**
Total comprehensive expense for the year	-	-	-	-	-	-	(24)	(24)
AS AT 31 DECEMBER 2022	**331**	**-**	**-**	**964**	**139**	-	**9,362**	**10,796**

Financial statements

Consolidated Cash Flow Statement

For the eighteen months ended 30 June 2024

	Note	Eighteen months to 30 June 2024	Twelve months to 31 December 2022
		£'000	£'000
PROFIT (LOSS) AFTER TAX		**(4,373)**	(11)
Taxation		**(41)**	(354)
PROFIT (LOSS) BEFORE TAX		**(4,414)**	(365)
Non-cash adjustments	24	**2,975**	252
Net changes in working capital	24	**574**	(569)
NET CASH USED IN OPERATING ACTIVITIES		**(865)**	(682)
INVESTING ACTIVITIES:			
Purchase of property, plant and equipment	11	**(27)**	(111)
Purchase of intangible assets	10	**-**	(12)
CASH OUTFLOW FROM INVESTING ACTIVITIES		**(27)**	(123)
CASHFLOWS FROM FINANCING ACTIVITIES:			
Convertible loan note issued		**1,000**	-
Increase / (reduction) in other borrowings		**1,225**	200
Finance cost		**(195)**	(40)
Other loan repayments		**(450)**	(10)
CASH INFLOW FROM FINANCING ACTIVITIES		**1,580**	150
Net change in cash and cash equivalents		**688**	(655)
CASH AND EQUIVALENTS AT BEGINNING OF PERIOD		**289**	944
CASH AND EQUIVALENTS AT END OF PERIOD	19	**977**	289

Financial statements

Company Cash Flow Statement

For the eighteen months ended 30 June 2024

	Note	COMPANY Eighteen months to 30 June 2024	COMPANY Twelve months to 31 December 2022
		£'000	£'000
(LOSS)/PROFIT AFTER TAX		**(1,712)**	(23)
Other Non-cash adjustments	24	**222**	121
Net changes in working capital	24	**1,348**	(493)
NET CASH (USED IN)/FROM OPERATING ACTIVITIES		**(142)**	(395)
INVESTING ACTIVITIES:			
Purchase of property, plant and equipment	11	**(18)**	(26)
Purchase of intangible assets	10	**-**	(13)
CASH OUTFLOW FROM INVESTING ACTIVITIES		**(18)**	(39)
CASHFLOWS FROM FINANCING ACTIVITIES:			
Convertible loan note issued	15	**1,000**	-
Change in lease debt		**-**	(5)
Interest paid		**(1)**	-
CASH INFLOW/(USED) FROM FINANCING ACTIVITIES		**999**	(5)
Net change in cash and cash equivalents		**839**	(439)
CASH AND EQUIVALENTS AT BEGINNING OF PERIOD		**(59)**	380
CASH AND EQUIVALENTS AT END OF PERIOD		**780**	(59)

The accompanying notes form part of these financial statements.


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Notes to the Financial Statements

1. GENERAL INFORMATION AND NATURE OF OPERATIONS

Westminster Group PLC ("the Company") was incorporated on 7 April 2000 and is domiciled and incorporated in the United Kingdom and quoted on AIM. The Group's financial statements for the eighteen months ended 30 June 2024 consolidate the individual financial statements of the Company and its subsidiaries. The Group design, supply and provide on-going advanced technology solutions and services to governmental and non-governmental organisations on a global basis.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The Group financial statements have been prepared and approved by the Directors in accordance with UK-adopted IAS. The Parent Company has elected to prepare its financial statements in accordance with UK-adopted IAS. The Company has taken advantage of the exemption under Section 408 of the Companies Act 2006 from presenting its own profit and loss account.

The financial information is presented in the Company's functional currency, which is British pounds sterling ('GBP') since that is the currency in which the majority of the Group's transactions are denominated.

Basis of measurement

The financial statements have been prepared under the historical cost convention with the exception of certain items which are measured at fair value as disclosed in the accounting policies below.

Consolidation

(i) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the eighteen months ended 30 June 2024.

(ii) Subsidiaries

Where the company has control over an investee, it is classified as a subsidiary. The company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

De-facto control exists in situations where the company has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the company considers all relevant facts and circumstances, including:

- The size of the company's voting rights relative to both the size and dispersion of other parties who hold voting rights
- Substantive potential voting rights held by the company and by other parties
- Other contractual arrangements
- Historic patterns in voting attendance.

The consolidated financial statements present the results of the company and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date on which control ceases.

(iii) Transactions eliminated on consolidation

Intragroup balances and any unrealised gains and losses or income and expenses arising from intragroup transactions are eliminated in preparing the consolidated financial statements.

(iv) Company financial statements

Investments in subsidiaries are carried at cost less provision for any impairment. Dividend income is recognised when the right to receive payment is established.

Going concern

The Group made a loss during the period of £4.4m (31 Dec 2022: Nil) of which continuing operations were a loss of £3.1m (31 Dec 2022: £0.5m loss), The cash outflow from operating activities during the eighteen months was £0.9m (31 Dec 2022: £0.7m).

The financial statements are prepared on a going concern basis. In assessing whether the going concern assumption is appropriate, management have taken into account all relevant available information about the current and future position of the Group, including

Notes to the Financial Statements

new long-term contracts. As part of its assessment, management have taken into account the profit and cash forecasts, the continued support of the shareholders and the Directors' and management's ability to affect costs and revenues. Management regularly forecast results, the financial position and cash flows for the Group.

The Directors have reviewed the Group's resources at the date of approving the financial statements, and their projections for future trading, which due to winning incremental new business give a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, which for the avoidance of doubt is at least 12 months from the date of signing the financial statements. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Business combinations

The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition date fair values of assets transferred, liabilities incurred, and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition date fair values.

Foreign currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates - 'the functional currency'. The functional and presentation currency in these financial statements is the Great British Pounds (GBP).

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at period-end exchange rates are recognised in profit or loss. Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction and not subsequently retranslated.

Foreign exchange gains and losses are recognised in arriving at profit before interest and taxation (see Note 5).

Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief decision-maker. The chief decision-maker has been identified as the Executive Board, at which level strategic decisions are made.

An operating segment is a component of the Group;

- That engages in business activities from which it may earn revenues and incur expenses,
- Whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
- For which discrete financial information is available.

Revenue

Revenue recognition
Revenue represents income derived from contracts for the provision of goods and services, over time or at a point in time, by the Group to customers in exchange for consideration in the ordinary course of the Group's activities.

Performance Obligations
Upon approval by the parties to a contract, the contract is assessed to identify each promise to transfer either a distinct good or service or a series of distinct goods or services that are substantially the same and have the same pattern of transfer to the customer. Goods and services are distinct and accounted for as separate performance obligations in the contract if the customer can benefit from them either on their own or together with other resources that are readily available to the customer, and they are separately identifiable in the contract.

Transaction price
At the start of the contract, the total transaction price is estimated as the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods and services to the customer, excluding sales taxes. Variable consideration, such as price escalation, is included based on the expected value or most likely amount only to the extent that it is highly probable that there will not be a reversal in the amount of the cumulative revenue recognised. The transaction price does not include estimates of consideration resulting from contract modifications, such as change orders,

until they have been approved by parties to the contract. The total transaction price is allocated to the performance obligations identified in the contract in proportion to their relative stand-alone selling prices. Given the nature of many of the Group's products and services, which are designed and/or manufactured under contract to customers' individual specifications, there are typically no observable stand-alone selling prices. Instead, stand-alone selling prices are typically estimated based on expected costs plus contract margin consistent with the Group's pricing principles.

Whilst payment terms vary from contract to contract, an element of the transaction price may be received in advance of delivery. The Group may therefore have contract liabilities depending on the contracts in existence at a period end. The Group's contracts are not considered to include significant financing components on the basis that there is no difference between the consideration and the cash selling price.

Revenue recognition

Revenue is recognised as performance obligations are satisfied as control of the goods and services is transferred to the customer.

For each performance obligation within a contract the Group determines whether it is satisfied over time or at a point in time. Performance obligations are satisfied over time if one of the following criteria is satisfied:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as it performs;
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group and it has an enforceable right to payment for performance completed to date.

The Group has determined that most of its contacts satisfy the overtime criteria, either because the customer simultaneously receives and consumes the benefits provided by the Group's performance as it performs, or the Group's performance does not create an asset with an alternative use to the Group and it has an enforceable right to payment for performance completed to date. For each performance obligation recognised over time, the Group recognises revenue using an input method, based on costs incurred in the period. Revenue and attributable margin are calculated by reference to reliable estimates of transaction price and total expected costs, after making suitable allowances or technical and other risks. Revenue and associated margin are therefore recognised progressively as costs are incurred, and as risks have been mitigated or retired. The Group has determined that this method appropriately depicts the Group's performance in transferring control of the goods and services to the customer.

If the overtime criteria for revenue recognition is not met, revenue is recognised at the point in time that control is transferred to the customer which is usually when legal title passes to the customer and the business has the right to payment.

When it is expected that total contract costs will exceed total contract revenue, the expected loss is recognised immediately as an expense.

Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin. Expenditure for warranties is recognised and charged against the associated provision when the related revenue is recognised. Certain items have been disclosed as operating exceptional due to their size and nature and their separate disclosure should enable better understanding of the financial dynamics.

Interest income and expenses

Interest income and expenses are reported on an accruals basis using the effective interest method.

Goodwill

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of a) fair value of consideration transferred, b) the recognised amount of any non-controlling interest in the acquiree and c) acquisition date fair value of any existing equity interest in the acquiree, over the acquisition date fair value of identifiable net assets. If the fair value of identifiable net assets exceeds the sum calculated above, the excess amount (i.e., gain on a bargain purchase) is recognised in profit or loss immediately. Goodwill is carried at cost less accumulated impairment losses.

Property, plant and equipment

Plant and equipment, office equipment, fixtures and fittings and motor vehicles are stated at cost less accumulated depreciation and any recognised impairment loss

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Depreciation is charged so as to write off the cost or valuation of assets to their residual value over their estimated useful lives, using the straight-line method, typically at the following rates. Where certain assets are specific for a long-term contract and the customer has an obligation to purchase the asset at the end of the contract they are depreciated in accordance with the expected disposal / residual value.

	Rate
Freehold buildings	2%
Plant and equipment	7% to 25%
Office equipment, fixtures & fittings	20% to 33%
Motor vehicles	20%

Freehold land is not depreciated.
Freehold property is held at valuation.

Leases

All leases that fall under IFRS 16 will be recorded on the balance sheet as liabilities, at the present value of the future lease payments, along with an asset reflecting the right to use the asset over the lease term. Rentals payable under operating leases exempt from IFRS 16 are charged to income on a straight-line basis over the term of the relevant lease. At inception of a contract, the Group assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a corresponding lease liability at the lease commencement date. The lease liability is initially measured at the present value of the following l ease payments:

- fixed payments;
- variable payments that are based on index or rate;
- the exercise price of any extension or purchase option if reasonably certain it can be exercised; and
- penalties for terminating the lease, if relevant.

The lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate for that type of asset.

The right-of-use assets are initially measured based on initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs. The right-of-use assets are depreciated over the period of the lease term using the straight-line method. The lease term includes periods covered by the option to extend, if the Group is reasonably certain to exercise that option. In addition, right-of-use assets may during the lease term be reduced by any impairment losses, if any, or adjusted for certain remeasurements of the lease liability.

Impairment on non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-current assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

FINANCIAL INSTRUMENTS

Financial assets

The Group's financial assets include cash and cash equivalents and loans and other receivables. All financial assets are recognised when the Group becomes party to the contractual provisions of the instrument. All financial assets are initially recognised at fair value, plus transaction costs. They are subsequently measured at amortised cost using the effective interest method, less any impairment losses. Any changes in carrying value are recognised in the Statement of Comprehensive Income. Interest and other cash flows resulting from holding financial assets are recognised in the Statement of Cash Flows when received, regardless of how the related carrying amount of financial assets is measured.

The Group recognises a loss allowance for expected losses on financial assets that are measured at amortised cost including trade receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition.

Cash and cash equivalents comprise cash at bank and deposits and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities unless a legally enforceable right to offset exists.

The RiverFort sundry debtor is classified at fair value through profit or loss and is re-measured to fair value at the end of each reporting period. Gains and losses arising from re-measurement are taken to profit or loss, as are transaction costs incurred. Management review at each reporting date the significant observable inputs and valuation adjustments with respect to the fair value measurement of the RiverFort debtor. The value of the Group's shares is observable in an active market as quoted prices are available hence valuation is within level 1 of the fair value hierarchy under IFRS 13, Fair value measurement. The valuation technique has been changed to mark-to-market.

Financial liabilities

The Group's financial liabilities comprise trade and other payables and borrowings. All financial liabilities are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method. Financial liabilities are derecognised when they are extinguished, discharged, cancelled or expire.

Convertible loan notes with an option that leads to a potentially variable number of shares, have been accounted for as a host debt with an embedded derivative. The embedded derivative is accounted for at fair value through profit and loss at each reporting date. The host debt is recognised initially at fair value, and subsequently measured at amortised cost using the effective interest method.

Convertible loan notes which can be converted to share capital at the option of the holder, and where the number of shares to be issued does not vary with changes in fair value, are considered to be a compound instrument.

The liability component of a compound instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound instrument and fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components.

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Investments and loans in subsidiaries

Subsidiary fixed asset investments are valued at cost less provision for impairment. The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all investment and loans in subsidiaries.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of ordinarily interchangeable items are assigned using the first in, first out cost formula. Costs principally comprise of materials and bringing them to their present location. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised as an expense or income in profit or loss, except in respect of items dealt with through equity, in which case the tax is also dealt with through equity.

The tax currently payable is based on taxable profit for the eighteen months. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated by using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on material differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the tax profit not the accounting profit

Notes to the Financial Statements

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities unless a legally enforceable right to offset exists.

Equity, reserves and dividend payments

Share capital represents the nominal value of shares that have been issued.

The share-based payment reserve represents equity-settled share-based employee remuneration until such share options are exercised or lapse. It also includes the equity settled items such as warrants for services rendered accounted for in accordance with IFRS 2.

The revaluation reserve within equity comprises gains and losses due to the revaluation of property, plant and equipment.

The equity reserve on the convertible loan notes is the embedded derivative accounted for at fair value.

Retained earnings include all current and prior period retained profits and losses.

Dividend distributions payable to equity shareholders are included in liabilities when the dividends have been approved in a general meeting prior to the reporting date.

Pensions

The Group operates a defined contribution pension scheme for employees in the UK and is operating under auto enrolment. Local labour in Africa benefit from a termination payment on leaving employment. The expected value of this is accrued on a monthly basis.

Share-based compensation (Employee Based Benefits)

The Group operates an equity-settled share-based compensation plan. The fair value of the employee services received in exchange for the grant of options is recognised as an expense over the vesting period, based on the Group's estimate of awards that will eventually vest, with a corresponding increase in equity as a share-based payment reserve. For plans that include market-based vesting conditions, the fair value at the date of grant reflects these conditions and are not subsequently revisited.

Fair value is determined using Black-Scholes option pricing models. Non-market based vesting conditions are included in assumptions about the number of options that are expected to vest. At each reporting date, the number of options that are expected to vest is estimated. The impact of any revision of original estimates, if any, is recognised in profit or loss, with a corresponding adjustment to equity, over the remaining vesting period.

The proceeds received when vested options are exercised, net of any directly attributable transaction costs, are credited to share capital (nominal value) and share premium.

Share-based payments

The Group has two types of share-based payments other than employee compensation.

Warrants issued for services rendered which are accounted for in accordance with IFRS 2 recognising either the cost of the service if it can be reliably measured or the fair value of the warrant (using Black-Scholes option pricing models).

Warrants issued as part of Share Issues have been determined as equity instruments under IAS 32. Since the fair value of the shares issued at the same time is equal to the price paid, these warrants, by deduction, are considered to have been issued at nil value.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event which it is probable will result in an outflow of economic benefits that can be reliably estimated.

SIGNIFICANT MANAGEMENT JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The following are significant management judgements in applying the accounting policies of the Group that have the most significant effect on the financial statements.

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Board has judged that because most of the Group's costs and a substantial part of its sales are situated in the UK.

Goodwill

Goodwill (note 9) has been tested for impairment by considering its net present value for the expected income stream in perpetuity at a discount rate judged to be 5% based on the normal lending rate we are offered leases at, which management consider is a good surrogate for cost of capital. It was also established that 42% (31 Dec 2022: 20%) is the discount rate at which no impairment still would be needed. The income is assumed to be flat and stable for the purpose of this test. Goodwill which does not show a net present value higher than its carrying cost will be impaired.

Deferred tax asset
Deferred tax assets (note 16) are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. The Directors have prepared projections for the next five years based on the best available evidence and have concluded that this deferred tax asset will be utilised in the future.

Subsidiary intercompany balances
Intercompany balances are stated at full value if the subsidiary is continuing to trade, and a reasonable projection indicates that the subsidiary will be able to repay the balance at some time in the future. Dormant subsidiaries owing money to the group are therefore fully impaired. The Group will support subsidiaries to meet their obligations as and when they fall due.

Debtors and Accrued Income
The collectability of debtor balances, which include amounts due from various projects including Ghana, have been reviewed in depth by management and the collectability of each debt has been considered carefully. The outcome of these reviews, as well as a more general exercise, is that the carrying value of the debtors is stated at the amount owed less a realistic provision for those debtors considered to be uncollectable or needing impairment. The collectability of the debt in relation to Ghana revolves around agreement with the counterparty over the quantum and the payment terms due under the contract for services rendered and early termination. Management have taken a prudent approach to ensure the carrying value of the amount owed is collectable. The accrued income has been estimated based solely on the volume of containers passing through the screening systems. Management believes the final income figure could be in excess of the amount disclosed in the financial statements.

Sundry Debtors
The collectability of sundry debtor balances has been reviewed and considered by the executive team. The carrying value of the sundry debtor in particular RiverFort has been tested and it is considered to be fairly stated.

The judgements involved in determining the appropriate classification of the receivable being a financial asset held at fair value through profit or loss include the asset not being held for trading investment in an equity instrument that is designated at fair value through other comprehensive income at initial recognition. The contractual terms of the sundry debt does not give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The RiverFort sundry debtor balance is therefore measured at fair value and any gains and losses recognised in the profit and loss as they arise.

Revalued freehold property
The freehold property is stated at fair value. A full revaluation exercise was carried out as at 30 June 2024. The fair value is based on market value, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

New standards, amendments and interpretations

The following new standards have been adopted as appropriate and where required the prior period's figures have been restated.

IAS 1 Presentation of Financial Statements
IAS 1 "Presentation of Financial Statements" sets out the overall requirements for financial statements, including how they should be structured, the minimum requirements for their content and overriding concepts such as going concern, the accrual basis of accounting and the current/non-current distinction. The standard requires a complete set of financial statements to comprise a statement of financial position, a statement of profit or loss and other comprehensive income, a statement of changes in equity and a statement of cash flows. The amendments are effective for annual periods beginning on or after January 1, 2023.

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
This standard is applied in selecting and applying accounting policies, accounting for changes in estimates and reflecting corrections of prior period errors. The standard requires compliance with any specific IFRS applying to a transaction, event or condition, and provides guidance on developing accounting policies for other items that result in relevant and reliable information. Changes in accounting policies and corrections of errors are generally retrospectively accounted for, whereas changes in accounting estimates are generally accounted for on a prospective basis. The amendments are effective for annual periods beginning on or after January 1, 2023.

Notes to the Financial Statements

IFRS 17 Insurance Contracts
cIFRS 17 requires insurance liabilities to be measured at a current fulfilment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. IFRS 17 supersedes IFRS 4 Insurance Contracts as of 1 January 2023. This is not applicable to the Group.

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)
IFRS 3 "Business Combinations" outlines the accounting when an acquirer obtains control of a business (e.g. an acquisition or merger). Such business combinations are accounted for using the 'acquisition method', which generally requires assets acquired and liabilities assumed to be measured at their fair values at the acquisition date. The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. This will apply for annual reporting periods beginning on or after 1 January 2023.

Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments to IAS 12
Targeted amendments to IAS 12 Income Taxes clarify how companies should account for deferred tax on certain transactions – e.g. leases and decommissioning provisions. The amendments narrow the scope of the initial recognition exemption (IRE) so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision. This will apply for annual reporting periods beginning on or after 1 January 2023.

International Tax Reform — Pillar Two Model Rules (Amendments to IAS 12)
Application of the exception and disclosure Effective 23 May 2023. This relates to Top up Tax and is not applicable to the Group.

Standards amendments and interpretations in issue not yet effective

Non-current Liabilities with Covenants Amendments to IAS 1 and Classification of Liabilities as Current or Non-current Amendments to IAS 1.
Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement for at least 12 months after the reporting date. The International Accounting Standards Board (IASB) has removed the requirement for a right to be unconditional and instead now requires that a right to defer settlement must exist at the reporting date and have substance. This will apply for annual reporting periods beginning on or after 1 January 2024.

Lease Liability in a Sale and Leaseback Amendments to IFRS 16.
This will impact how a seller-lessee accounts for variable lease payments that arise in a sale-and-leaseback transaction. The amendments introduce a new accounting model for variable payments and will require seller-lessees to reassess and potentially restate sale-and-leaseback transactions entered into since 2019. It is not applicable to the group at present. This will apply for annual reporting periods beginning on or after 1 January 2024.

Supplier Finance Arrangements Amendments to IAS 7 and IFRS 7.
The amendments introduce two new disclosure objectives – one in IAS 7 and another in IFRS 7 – for a company to provide information about its supplier finance arrangements that would enable users (investors) to assess the effects of these arrangements on the company's liabilities and cash flows, and the company's exposure to liquidity risk. This will apply for annual reporting periods beginning on or after 1 January 2024.

FRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures.
IFRS S1 is for sustainability-related financial disclosures and IFRS S2 is for climate-related disclosures. The two standards are designed to be applied together. The standards are voluntary unless adopted into national legislation. The UK is strongly considering adopting the standards into the UK Sustainability Disclosure Standards (UK SDS), currently being developed and due to be announced in July 2024. If adopted by the UK The standards are voluntary unless adopted into national legislation. The UK is strongly considering adopting the standards into the UK Sustainability Disclosure Standards (UK SDS), currently being developed and due to be announced in July 2024.


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Notes to the Financial Statements

Lack of Exchangeability Amendments to IAS 21
Under IAS 21 The Effects of Changes in Foreign Exchange Rates, a company uses a spot exchange rate when translating a foreign currency transaction. However, in rare cases, it is possible that one currency cannot be exchanged into another. This lack of exchangeability might arise when a government imposes controls on capital imports and exports, for example, or when it provides an official exchange rate but limits the volume of foreign currency transactions that can be undertaken at that rate. Consequently, market participants are unable to buy and sell currency to meet their needs at the official exchange rate and turn instead to unofficial, parallel markets. This amendment clarifies when a currency is exchangeable into another currency; and how a company estimates a spot rate when a currency lacks exchangeability. This will apply for annual reporting periods beginning on or after 1 January 2025.

IFRS 18 Presentation and Disclosure in Financial Statements.
IFRS 18 promotes a more structured income statement. In particular, it introduces a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities. IFRS 18 will replace IAS 1 Presentation of Financial Statements. This will apply for annual reporting periods beginning on or after 1 January 2027.

Alternative performance measures (APM)

In the reporting of financial information, the Directors have adopted the APM 'EBITDA profit from underlying continuing and discontinued operations (APMs were previously termed 'Non-GAAP measures'), which is not defined or specified under International Financial Reporting Standards (IFRS).

The Directors also look at recurring revenue as a key performance indicator. This is revenue arising from multi-year contracts.

These measures are not defined by UK-adopted IAS and therefore may not be directly comparable with other companies' APMs, including those in the Group's industry.

APMs should be considered in addition to, and are not intended to be a substitute for, or superior to, UK-adopted IAS measurements.

Purpose

The Directors believe that the adjusted EBITDA APM assists in providing additional useful information on the underlying trends, performance and position of the Group. This APM is also used to enhance the comparability of information between reporting periods and business units, by adjusting for non-recurring or uncontrollable factors which affect UK-adopted IAS measures, to aid the user in understanding the Group's performance.

Consequently, APMs are used by the Directors and management for performance analysis, planning, reporting and incentive setting purposes and this remains consistent with the prior year.

The key APM that the Group has focused on is as follows: EBITDA profit from underlying continuing and discontinued operations': This is the headline measure used by management to measure the Group's performance and is based on operating profit before the impact of financing costs, share based payment charges, depreciation, amortisation, impairment charges and exceptional items. Exceptional items relate to certain costs that derive from events or transactions that fall within the normal activities of the Group but which, individually or, if of a similar type, in aggregate, are excluded by virtue of their size and nature in order to reflect management's view of the performance of the Group..

3. SEGMENT REPORTING

Operating segments

The Board considers the Group on a Business Unit basis. Reports by Business Unit are used by the chief decision-makers in the Group. The Business Units operating during the eighteen months are the two operating divisions; Services and Technology. This split of business segments is based on the products and services each offer.

30 June 2024	Managed Services	Technology	Group and Central	Group Total
	£'000	£'000	£'000	£'000
Supply of products	-	1,224	-	1,224
Supply and installation contracts	-	16	-	16
Maintenance and services	6,725	497	-	7,222
Training courses	520	69	-	589
Revenue	**7,245**	**1,806**	**-**	**9,051**
Segmental underlying adjusted EBITDA^*	904	(892)	(1,434)	(1,473)
Share option expense	-	-	(67)	(67)
Other Income Losses	-	-	(1,013)	(1,013)
Discontinued operations			(1,263)	(1,263)
Depreciation & amortisation	(208)	(32)	(149)	(389)
Segment operating result	**696**	**(924)**	**(3,926)**	**(4,205)**
Finance cost	-	-	(209)	(209)
Profit/ (loss) before tax	696	(924)	(4,135)	(4,414)
Income tax benefit / (charge)	(10)	-	-	(10)
Profit/(loss) for the financial year	**686**	**(924)**	**(4,135)**	**(4,424)**
Segment assets	3,755	1,101	2,747	7,603
Segment liabilities	1,581	1,386	1,292	4,259
Capital expenditure	133	1	18	152

31 December 2022	Managed Services	Technology	Group and Central	Group Total
	£'000	£'000	£'000	£'000
Supply of products	-	1,815	-	1,815
Supply and installation contracts	-	1,080	-	1,080
Maintenance and services	4,905	338	-	5,243
Training courses	419	22	-	441
Revenue	**5,324**	**3,255**	**-**	**8,579**
Segmental underlying EBITDA^	2,046	81	(2,609)	(483)
Depreciation & amortisation	(108)	(22)	(122)	(252)
Segment operating result	**1,937**	**59**	**(2,731)**	**(735)**
Finance cost	-	-	(40)	(40)
Profit/(loss) before tax	1,937	59	(2,771)	(775)
Income tax benefit/(charge)	40	-	314	354
Continuing Profit/(loss) for the financial period	1,977	59	(2,457)	(421)
Discontinued operations	353	-	57	410
Profit/(loss) for the financial period	**2,330**	**59**	**(2,400)**	**(11)**
Segment assets	4,886	2,543	2,600	10,029
Segment liabilities	878	1,388	348	2,614
Capital expenditure	113	1	39	153

**Adjusted for discontinued operations refer note 28.*

^This is an Alternative Performance Measure refer to Note 2 for further details

Notes to the Financial Statements

Geographical areas

The Group's international business is conducted on a global scale, with agents present in all major continents. The following table provides an analysis of the Group's sales by geographical market, irrespective of the origin of the goods/services.

	30 June 2024	31 Dec 2022
	£'000	£'000
UK and Europe	**3,569**	2,520
Africa	**5,202**	5,755
Middle East	**232**	68
Rest of World	**48**	236
Total	**9,051**	8,579

Some of the Group's assets are located outside the United Kingdom where they are being put to operational use on specific contracts.

Information about major customers

No single customer contributed more than 10% of the Group revenue in 30 June 2024

4. FINANCE COSTS

	30 June 2024	31 Dec 2022
	£'000	£'000
Finance cost on lease liabilities	**(14)**	(6)
Interest payable on bank and other borrowings	**(195)**	(34)
Total finance costs	**(209)**	(40)

5. LOSS FROM OPERATIONS

The following items have been included in arriving at the loss for the financial year:

	Group 30 June 2024	Group 31 Dec 2022
	£'000	£'000
Staff costs (see Note 7)	**6,606**	4,356
Depreciation of property, plant and equipment	**317**	196
Amortisation of intangible assets	**72**	56
Operating lease rentals payable	**-**	-
Short term leases	**196**	158
Foreign exchange loss/ (gain)	**265**	344

Auditor's remuneration

Amounts payable in 30 June 2024 relate to PKF Littlejohn LLP in respect of audit and other services.
The local Audit in Sierra Leone is performed by Moore Sierra Leone.

Audit services

	30 June 2024	31 Dec 2022
	£'000	£'000
Statutory audit of parent and consolidated financial statements	110	62
Review of Interim Results	-	2
Statutory audit of subsidiaries of the company pursuant to legislation	20	20
Total payable to PKF Littlejohn UK	130	84
Local audit in Sierra Leone - Moore Sierra Leone	19	19
Total fees	149	103

6. TAXATION

The Finance Act 2020 set the Corporation Tax main rate at 19% for the financial year beginning 1 April 2020. Deferred taxes at the balance sheet date have been measured using a 25% tax rate and reflected in these financial statements.

	30 June 2024	31 Dec 2022
	£'000	£'000
Current year		
UK corporation tax on profits in the year	-	-
Potential foreign corporation tax on profits in the year	5	-
Deferred Tax (Note 16)		
Foreign entity deferred tax	(46)	(40)
Review of expected utilisation of Losses	-	(314)
Tax on losses	(41)	(354)
Deferred tax on property valuation	51	-
Tax on losses and other comprehensive income	10	(354)

	30 June 2024	31 Dec 2022
	£'000	£'000
Reconciliation of effective tax rate		
Loss on ordinary activities before tax	(4,414)	(365)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24% (31 Dec 2022: 19%)	(1,059)	(69)
Effects of:		
Expenses not deductible for tax purposes	424	94
Deferred tax movement (Note 16)	55	(355)
Release of losses	-	(24)
Unrecognised losses carried forward	590	-
Total tax - credit	10	(354)

For further details on Tax refer to Note 16.

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Notes to the Financial Statements

7. EMPLOYEE COSTS

Employee costs for the Group during the year:

Group	30 June 2024	31 Dec 2022
	£'000	£'000
Wages and salaries	5,819	3,822
Pension contributions	82	73
Social security costs	638	461
	6,539	4,356
Share based payments	67	-
Net Cost	6,606	4,356

The Group operates a stakeholder pension scheme. The Group made pension contributions totalling £82,000 during the eighteen months (31 Dec 2022: £73,000), and pension contributions totalling £23,000 were outstanding at the period-end (31 Dec 2022: £83,000).

Details of the Directors' remuneration are included in the Remuneration Committee Report. Key management within the business are considered to be the Board of Directors. The total Directors' remuneration during the eighteen months was £940,000 (31 Dec 2022 twelve months: £635,000) and the highest paid director received in the eighteen months remuneration totalling £315,000 (31 Dec 2022 twelve months: £206,000) before any share-based payments.

Average monthly number of people (including Executive Directors) employed

	30 June 2024	31 Dec 2022
By function:		
Sales	7	8
Operations	201	212
Administration	17	24
Management	11	12
	236	256

8. LOSS PER SHARE

Earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the eighteen months.

For diluted earnings per share the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. Only those outstanding options that have an exercise price below the average market share price in the eighteen months have been included.

The weighted average number of ordinary shares is calculated as follows:

	30 June 2024	31 Dec 2022
	£'000	£'000
Issued ordinary shares		
Start of period	**330,515**	330,515
Effect of shares issued during the period	**-**	-
Weighted average basic and diluted number of shares for the period	**330,515**	330,515

	30/06/2024 Continuing Operations	**30/06/2024 Discontinuing Operations**	**30/06/2024 Total**	31/12/2022 Total
Earnings				
Loss and total comprehensive expense	**(3,110)**	**(1,263)**	**(4,373)**	(11)
Loss per share (pence)	**(0.94p)**	**(0.38p)**	**(1.32p)**	0.00p

For the eighteen months ended 30 June 2024 and twelve months ended 31 Dec 2022 the issue of additional shares on exercise of outstanding share options, convertible loans and warrants would decrease the basic loss per share and there is therefore no dilutive effect. Loss per share was 1.32p (31 Dec 2022: 0.00p).

9. GOODWILL

Group	**30 June 2024**	31 Dec 2022
	£'000	£'000
Gross carrying amount at start of period	**1,378**	1,377
Exchange rate movement	**(1)**	1
Gross carrying amount at end of period	**1,377**	1,378
Accumulated impairment at start of period	**(763)**	(763)
Impairment charge for the period	**-**	-
Accumulated impairment at end of period	**(763)**	(763)
Carrying amount at start of period	**615**	614
Carrying amount at end of period	**614**	615

The goodwill balance relates to the acquisition of Longmoor Security Limited, Keyguard U.K Limited and Euro-Ops SARL. The movement is because of an exchange rate movement on Euro Ops where the goodwill is in Euros.

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill may be impaired. The recoverable amounts of the cash-generating unit are determined from value in use calculations. The key assumptions are discount rate (5%) future revenues (assumed as flat) derived from the most recent 30 June 2024 financial budgets approved by management. The projection assumes that the companies are held in perpetuity. A discount rate of 42% (31 Dec 2022: 20%) would not result in any impairment based on management's latest forecast.

No reasonably possible change in any of the estimates and assumptions used in the impairment test would give rise to a material impairment.

Notes to the Financial Statements

10. OTHER INTANGIBLE ASSETS

As at 30 June 2024	Group Website and Software	Company Website and Software
	£'000	£'000
Cost		
At 1 January 2023	412	377
Disposals	(8)	(8)
At 30 June 2024	404	369
Accumulated amortisation and impairment		
At 1 January 2023	306	293
Charge for the period	72	59
At 30 June 2024	378	352
Net book value at 30 June 2024	26	17

As at 31 Dec 2022	Group Website and Software	Company Website and Software
	£'000	£'000
Cost		
At 1 January 2022	400	364
Additions	12	13
At 31 December 2022	412	377
Accumulated amortisation and impairment		
At 1 January 2022	250	244
Charge for the year	56	49
At 31 December 2022	306	293
Net book value at 31 December 2022	106	84

11. PROPERTY, PLANT AND EQUIPMENT

Group 30 June 2024	Freehold property	Plant and equipment	Office equipment, fixtures and fittings	Motor vehicles	Right of use assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation						
At 1 January 2023	1,131	783	1,078	72	165	3,229
Additions	7	2	3	15	125	152
Disposals	-	-	(1)	-	(40)	(41)
Revaluation	205	-	-	-	-	205
At 30 June 2024	**1,343**	**785**	**1,080**	**87**	**250**	**3,545**
Accumulated depreciation and impairment						
At 1 January 2023	105	606	555	50	88	1,404
Charge for the period	38	72	115	20	72	317
Disposals	-	-	(3)	-	(40)	(43)
At 30 June 2024	**143**	**678**	**667**	**70**	**120**	**1,678**
Net book value at 30 June 2024	**1,200**	**107**	**413**	**17**	**130**	**1,867**

Group 31 Dec 2022	Freehold property	Plant and equipment	Office equipment, fixtures and fittings	Motor vehicles	Right of use assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation						
At 1 January 2022	1,126	768	1,058	109	173	3,234
Additions	5	15	20	-	101	141
Disposals	-	-	-	(37)	(109)	(146)
At 31 December 2022	**1,131**	**783**	**1,078**	**72**	**165**	**3,229**
Accumulated depreciation and impairment						
At 1 January 2022	81	557	496	77	128	1,339
Charge for the period	24	49	59	11	53	196
Disposals	-	-	-	(38)	(93)	(131)
At 31 December 2021	**105**	**606**	**555**	**50**	**88**	**1,404**
Net book value at 31 December 2022	**1,026**	**177**	**523**	**22**	**77**	**1,825**

Right of use assets (motor vehicles) above have been created in accordance with IFRS 16. Motor vehicles are leased for certain employees for lease terms ranging between 3-5 years with fixed payments. The Group d oes not purchase or guarantee the future value of lease vehicles.

The freehold property was valued professionally by White Commercial, Chartered Surveyors, as at 30 June 2024, which provided a valuation of £1,200,000 (previous valuation £1,020,000). The valuation was made on the basis of recent market transactions on arm's length terms and on an alternative use basis. The Revaluation Reserve is not available for distribution to shareholders.

Notes to the Financial Statements

11. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company 30 June 2024	Freehold property	Plant and equipment	Office equipment, fixtures and fittings	Right of use assets	Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 January 2023	1,130	23	259	24	1,436
Additions	8	-	-	10	18
Revaluation	205	-	-	-	205
At 30 June 2024	**1,343**	**23**	**259**	**34**	**1,659**
Accumulated depreciation and impairment					
At 1 January 2023	105	19	207	18	349
Charge for the period	38	3	31	16	88
At 30 June 2024	**143**	**22**	**238**	**34**	**437**
Net book value at 30 June 2024	**1,200**	**1**	**21**	**-**	**1,222**

Company 31 Dec 2022	Freehold property	Plant and equipment	Office equipment, fixtures and fittings	Right of use assets	Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 January 2022	1,126	23	237	100	1,486
Additions	4	-	22	-	26
Disposals	-	-	-	(76)	(76)
At 31 December 2022	**1,130**	**23**	**259**	**24**	**1,436**
Accumulated depreciation and impairment					
At 1 January 2022	81	18	184	70	353
Charge for the period	24	1	23	24	72
Disposals	-	-	-	(76)	(76)
At 31 December 2022	**105**	**19**	**207**	**18**	**349**
Net book value at 31 December 2022	**1,025**	**4**	**52**	**6**	**1,087**

The freehold property was valued professionally by White Commercial, Chartered Surveyors, as at 30 June 2024, which provided a valuation of £1,200,000 (previous valuation £1,020,000). The valuation was made on the basis of recent market transactions on arm's length terms and on an alternative use basis. The Revaluation Reserve is not available for distribution to shareholders.

No depreciation has been charged on the freehold land only building additions have been depreciated. The difference between the net book value of the total freehold property if depreciation, at 2%, had been charged as shown in the financial statements is not materially different to the value the asset is recorded at the balance sheet date.

The freehold property is stated at valuation, the comparable historic cost and depreciation values are as follows: This depreciation is charged on historical cost only.

	30 June 2024	31 Dec 2022
	£'000	£'000
Historical cost	815	808
Accumulated depreciation		
At start of period	340	324
Charge for the period	16	16
At period end	356	340
Net book value as at period end	459	468

12. LEASE COMMITMENTS

The Group accounts for operating leases under IFRS 16. There are some leases of small value or less than one-year duration which have been charged to expenses as incurred, but the aggregate commitment of these leases is immaterial

Right to use assets	30 June 2024	31 Dec 2022
	£'000	£'000
At start of period	89	106
Additions	126	30
Expensed in the period	(62)	(47)
As at end of period	153	89
Of which		
Current lease	33	62
Non-current	120	27
	153	89

Notes to the Financial Statements

13. INVESTMENT IN SUBSIDIARIES

All loans relate to cash movements between Group companies and are repayable on demand. Loans and other intercompany accounts are included in the Company's respective current payables or receivables. This is because they are more in the nature of current assets and current liabilities than longer term investments.

Company	30 June 2024 Investments	31 December 2022 Investments
Cost	**£'000**	£'000
At 1 January	**389**	389
Movement in period	**-**	-
At 31 December	**389**	389
Accumulated impairment		
At 1 January	**(389)**	(389)
Movement in period	**-**	-
At 31 December	**(389)**	(389)
Investment in subsidiaries	**-**	-

A sum of £9,587,000 (31 Dec 2022: £9,244,000) has been recognised in receivables as intercompany; as well as £1,085,000 (31 Dec 2022: £630,000) which has been recognised in payables as intercompany.

14. SUBSIDIARY UNDERTAKINGS

The subsidiary undertakings at 30 June 2024 were as follows:

Name	Country of incorporation	Principal activity	% of nominal ordinary share capital and voting rights held
Westminster International Limited	England	Advanced security technology. (Technology division)	100
Westminster Security Limited (formerly Longmoor Security Limited)	England	Close protection training and provision of security services. (Managed Services)	100
Westminster Aviation Security Services Limited	England	Managed services of airport security under long term contracts. (Managed Services)	100
Sovereign Ferries Limited	England	Dormant	100
Westminster Operating Limited	England	Special purpose vehicle which exists solely for listing the 2013 CLN on the CISX. Year end 31 October. Only transactions are intra group.	100
Keyguard U.K Limited	England	Security and risk management including manned guarding, mobile patrols, risk management and K9 services.	100
Longmoor (SL) Limited	Sierra Leone	Security and terminal guarding.	100
Facilities Operations Management Limited	Sierra Leone	Infrastructure management.	100
Westminster Sierra Leone Limited*	Sierra Leone	Local infrastructure for airport operations.	49
Westminster Group GMBH	Germany	Dormant	100
GLIS Gesellschaft für Luftfahrt- und Infrastruktur-Sicherheit GmbH	Germany	Managed Services	85
Westminster Sicherheit GMBH	Germany	Dormant	85
Euro Ops SARL	France	Managed Services infrastructure	100
Westminster Maritime Services Limited#	England	Dormant	100
CTAC Limited	England	Dormant	100
Longmoor Security Services Limited (formerly Westminster Aviation Security Services (ME) Limited)	England	Dormant	100
Westminster Aviation Security Services RDC SARLU	DRC	Managed services of airport security under long term contracts. (Managed Services)	100
Westminster Liberia LLC	Liberia	Managed services of port security under long term contracts. (Managed Services)	100

Subsidiary company registered addresses:

England	Westminster House, Blacklocks Hill, Banbury, Oxfordshire, OX17 2BS, United Kingdom.
Sierra Leone	49 Waterloo Street, Freetown, Sierra Leone.
Germany	Chiemseestrasse 25, 83233 Bernau am Chiemsee, Germany.
France	17 Route de Sundhoffen, 68280 Andolsheim. France.
DRC	Cabinet Lohayo Ngola Patrick, Immeuble Mirlandsis. au No34 du Boulevard Sendwe, Kinshasa DRC.
Liberia	Gbaintor Law Firm, Wroto Town. Sinkor, Airfield, Monrovia, Liberia.

** Consolidated due to de facto control. These results do not have a material effect on the financial statements.*
 # Westminster Maritime Services Limited was formerly known as Westminster Facilities Management Limited & Westminster Managed Services Limited.

Notes to the Financial Statements

15. FINANCIAL INSTRUMENTS

Categories of financial assets and liabilities

The fair value of carrying amounts presented in the Consolidated and Company statement of financial position relate to the following categories of assets and liabilities:

	Group 30 June 2024	Group 31 Dec 2022	Company 30 June 2024	Company 31 Dec 2022
	£'000	£'000	£'000	£'000
Financial assets				
Trade and other receivables (note 18)	2,121	5,354	9,694	10,672
Cash and cash equivalents (note 19)	977	289	780	(59)
	3,098	5,643	10,474	10,613
Financial liabilities				
Borrowings (note 22)	2,092	222	978	-
Trade and other payables (note 23)	4,139	2,312	2,335	999
	6,231	2,534	3,313	999

See note 2 for a description of the accounting policies for each category of financial instruments. The fair values are presented in this note and are the same as the carrying value. A description of the Group's risk management and objectives for financial instruments is given in note 26.

CONVERTABLE LOAN NOTES

The Group had the following convertible loan notes outstanding during the year, key details of which are set out below:

Secured Convertible Loan Notes (“CLN”)

Amount	£1m	Redemption Date	26 June 2027
Conversion Price	3p per share	Coupon	10%
Security	Secured fixed and floating	Conversion Detail	Any time after 26 June 2025.

	Group 30 June 2024	Group 31 Dec 2022	Company 30 June 2024	Company 31 Dec 2022
At Start of Period	-	-	-	-
Fair value of new loans issued	978	-	978	-
Amortised finance cost	-	-	-	-
Interest paid	-	-	-	-
At End of Period	978	-	978	-

Analysis of movement in debt at principal value (excluding IFRS impacts), memorandum only

	Group 30 June 2024	Group 31 Dec 2022	Company 30 June 2024	Company 31 Dec 2022
At Start of Period	-	-	-	-
New Issue	1,000	-	1,000	-
At End of Period	1,000	-	1,000	-

Notes to the Financial Statements

CONVERTABLE LOAN NOTES

The convertible loan notes have been separated into two components, the Host Debt Instrument and the Embedded Derivative on initial recognition. The value of the Host Debt Instrument will increase to the principal sum amount by the date of maturity.

The effective interest cost of the Notes is the sum of that increasing value in the period and the interest paid to Noteholders.

Secured convertible loan notes (CLN) are compound financial instruments that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in fair value.

16. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. The Group's projections show the expectation of future profits, hence in 2018 a deferred tax asset was recognised. Reviews performed since then, including as at 30 June 2024, confirmed those expectations.

The tax losses against which this deferred tax asset is being recognised are in the group's holding company and its principal UK based subsidiaries. Evidence, both positive and negative, primarily the Group's projections of future profits have been considered. The critical judgement has been the timing of new contracts. The deferred tax asset is expected to be used in the period up to the end of 2026.

The Group believes it has a total potential deferred tax asset of £4,254,000 (31 Dec 2022: £4,047,000). It has recognised a deferred tax asset of £1,304,000 (31 Dec 2022: £1,308,000) due to budgeted future profits of the business beyond 30 June 2024 and the expected tax rate. There remains £3,073,000 (31 Dec 2022: £2,739,000) of unrecognised deferred tax asset.

Deferred tax assets and liabilities have been calculated using the expected future tax rate of 25% (31 Dec 2022: 25%). Any changes in the future would affect these amounts proportionately.

	30 June 2024	**31 December 2022**
	£'000	£'000
Opening balance start of period	**1,308**	953
Deferred tax movement	**(4)**	355
Deferred tax asset as at end of period	**1,304**	1,308

17. INVENTORIES

	Group 30 June 2024	Group 31 Dec 2022	**Company 30 June 2024**	Company 31 Dec 2022
	£'000	£'000	**£'000**	£'000
Finished goods	**655**	485	**-**	-
	655	485	**-**	-

The cost of inventories recognised as an expense within cost of sales amounted to £992,000 (31 Dec 2022: £2,153,000). No reversal of previous write-downs was recognised as a reduction of expense in 30 June 2024 or 31 December 2022.

18. TRADE AND OTHER RECEIVABLES

	Group 30 June 2024	Group 31 Dec 2022	Company 30 June 2024	Company 31 Dec 2022
	£'000	£'000	**£'000**	£'000
Trade receivables, gross	**770**	1,827	**-**	-
Allowance for credit losses	**(19)**	(26)	**-**	-
Trade receivables	**751**	1,801	**-**	-
Amounts recoverable on contracts	**69**	750	**-**	-
Intercompany receivables	**-**	-	**9,587**	9,244
Other receivables	**1,301**	2,211	**107**	1,428
Financial assets	**2,121**	4,762	**9,694**	10,672
Other taxes and social security	**9**	15	**-**	-
Prepayments	**30**	31	**-**	11
Non-financial assets	**39**	46	**-**	11
Trade and other receivables	**2,160**	4,808	**9,694**	10,683
Non-current Receivable	**-**	593	**-**	-

The average credit period taken on sale of goods in 30 June 2024 was 53 days (31 Dec 2022: 30 days). An allowance has been made for estimated credit losses of £19,000 (31 Dec 2022: £26,000). This allowance has been based on the knowledge of receivables at the reporting date together with forecasts of future economic impacts and their collectability. There are no expected credit losses on amounts recoverable on contracts.

Expected credit losses on intercompany receivables assume that repayment of the loan is demanded at the reporting date. If the subsidiary has sufficient accessible highly liquid assets to repay the loan if demanded at the reporting date, the expected credit loss is likely to be immaterial. If the subsidiary could not repay the loan if demanded at the reporting date, the Group consider the expected manner of recovery to measure expected credit losses. This is a 'repay over time' strategy (that allows the subsidiary time to pay), non-trading subsidiaries will not be able to repay loans over time and are therefore deemed to be impaired.

Other receivables include a sum of £105,000 (31 Dec 2022: £1,118,000) due from the RiverFort Equity Placing and Sharing Agreement. It is expected that it will be recovered from the sale of shares currently still held by RiverFort. The reduction from 2022 of £1,013,000 included in other income / losses follows from the shares being marked to market. No share sales have been made in 18 months to 30 June 2024

Other receivables also includes £1,053,000 (31 Dec 2022: £845,000) of pre-contract expenditure on managed services contracts.

The following table provides an analysis of trade receivables at the period end. The Group believes that the balances are ultimately recoverable based upon a review of past payment history and the current financial status of the customers.

	30 June 2024	31 December
	£'000	£'000
Current	**384**	410
Not more than 3 months	**342**	1,166
More than 3 months	**44**	251
	770	1,827
Allowances for Credit Losses		
Opening balance at 1 January	**26**	56
Amounts written off	**(17)**	(37)
Amounts provided	**10**	17
Currency movement	**-**	1
Written back (no longer required)	**-**	(11)
Closing balance at 31 December	**19**	26

Notes to the Financial Statements

There are no significant expected credit losses from financial assets that are neither past due nor impaired. Notes to the Financial Statements (continued)

At 30 June 2024

- £332,000 (31 Dec 2022: £1,313,000) of receivables were denominated in US dollars,
- £6,000 (31 Dec 2022: £11,000) of receivables were denominated in Euros,
- £1,000 (31 December 2022: Nil) of receivables were denominated in Sierra Leone New Leone and
- nil (31 Dec 2022: £71,000) were denominated in Ghanaian Cedi.

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value.

19. CASH AND CASH EQUIVALENTS

	Group 30 June 2024	Group 31 Dec 2022	**Company 30 June 2024**	Company 31 Dec 2022
	£'000	£'000	**£'000**	£'000
Cash at bank and in hand	**977**	289	**780**	(59)
Bank overdraft	**-**	-	**-**	-
Cash and cash equivalents	**977**	289	**780**	(59)

All the bank accounts of the Group are set against each other where a right of offset exists in establishing the cash position of the Group.

20. CALLED UP SHARE CAPITAL

Group and Company

The total amount of issued and fully paid shares is as follows:

Ordinary Share Capital	**30 June 2024**		31 Dec 2022	
	Number	**£'000**	Number	£'000
At start of period	**330,514,660**	**331**	330,514,660	331
At end of period	**330,514,660**	**331**	330,514,660	331

Total Share Capital	**30 June 2024**		31 Dec 2022	
	Number	**£'000**	Number	£'000
Ordinary Share Capital	**330,514,660**	**331**	330,514,660	331
Deferred Share Capital	**-**	**-**	-	-
	330,514,660	**331**	330,514,660	331

There were no equity issues in the year.

21. SHARE OPTIONS AND WARRANTS

	Options outstanding
Options outstanding as at 1 January 2023	8,692,500
Options awarded	16,700, 000
Options waived	(6,781,250)
Lapsed during the year	(1,546,250)
Options outstanding as at 30 June 2024	**17,065,000**

The Company adopted the 2017 Share Option Scheme on 21 September 2017 that provides for the granting of both Enterprise Management Incentives and unapproved share options (Westminster Group Individual Share Option Agreements). The main terms of the option scheme are as follows:

- Although no special conditions apply to the options granted in 2017, the model form agreement allows the Company to adopt special conditions to tailor an option for any particular employee.
- The scheme is open to all full-time employees and Directors except those who have a material interest in the Company.
- For the purposes of this definition, a material interest is either beneficial ownership of, or the ability to control directly, or indirectly, more than 30% of the ordinary share capital of the Company.
- The Board determines the exercise price of options before they are granted. It is provided in the scheme rules that options must be granted at the prevailing market price in the case of EMI options and must not be granted at an exercise price that is less than the nominal value of a share.
- There is a limit that options over unissued shares granted under the scheme and any discretionary share option scheme or other option agreement adopted or entered into by the Company must not exceed 10% of the issued share capital.
- Options can be exercised on the second anniversary of the date of grant and may be exercised up to the 10th anniversary of granting. Options will remain exercisable for a period of 40 days if the participant is a “good leaver”.

Options have subsequently been granted on this basis.

The Company has the following share options outstanding to its employees (including those on good leaver terms). The weighted average exercise price at the reporting date was 2.9p (31 Dec 2022: 17.6p). The average life of the unexpired share options was 8.1 years (31 Dec 2022: 4.5 years).

Notes to the Financial Statements

		30 June 2024		31 December 2022	
Grant date	Exercise price £	**Number outstanding**	**Average life outstanding (years)**	Number outstanding	Average life outstanding (years)
01 July 2014	0.510	-	-	150,000	1.5
10 December 2014	0.285	-	-	2,187,500	1.9
09 October 2015	0.140	-	-	40,000	2.8
01 June 2018	0.130	**1,465,000**	**3.9**	5,565,000	5.4
08 November 2018	0.130	-	-	750,000	5.8
12 January 2024	0.020	**15,600,000**	**8.5**	-	-
		17,065,000	**8.1**	8,692,500	4.5

During the period, 16,700,000 employee options were granted (31 Dec 2022: Nil), none were exercised (31 Dec 2022: none), 6,781,250 were waived (31 Dec 2022: none) and 1,546,250 lapsed (31 Dec 2022: 785,0000). The weighted average price of the options lapsed in the period was 10.5p (31 Dec 2022: 23.4p). The weighted average exercise price of exercisable options at the end of 30 June 2024 was 2.9p (31 Dec 2022 17.6p).

The Black-Scholes option-pricing model is used to determine the fair value of share options at grant date. The assumptions used to determine the fair values of share options at grant dates were as follows:

For share options granted post IPO the expected share price volatility was determined taking account of the historic daily share price movements. The standard deviation of the share price over the last year has been used to calculate volatility. The volatility is 65%, interest risk free rate of 3.5%, dividend of 0% and a life of 5 years.

The average expected term to exercise used in the models is based on management's best estimate for the effects of non- transferability, exercise restrictions and behavioural conditions, forfeiture and historical experience. The risk-free rate has been determined from market yields for government gilts with outstanding terms equal to the average expected term to exercise for each relevant grant.

Warrants

There are no warrants which are still in force at the balance sheet date:

Movement in Warrants

	As at 1/1/2023	Lapsed	**As at 30/06/24**
Placing Commission	170,455	(170,455)	**-**
RiverFort EPSA	3,499,222	(3,499,222)	**-**
	3,669,677	(3,669,677)	**-**

22. BORROWINGS

	Group 30/06/2024	Group 31/12/2022	Company 30/06/2024	Company 31/12/2022
	£'000	£'000	£'000	£'000
Non-current				
Borrowings	1,098	27	978	-
Current				
Borrowings	994	195	-	-
Total Borrowings	2,092	222	978	-

Non-current lease debt

As described in Note 12, all leases that fall under IFRS 16 are recorded on the balance sheet as liabilities, at the present value of the future lease payments, along with an asset reflecting the right to use the asset over the lease term. The non-current lease debt is the part of that debt which falls due after 12 months.

Notes to the Financial Statements

23. TRADE AND OTHER PAYABLES

	Group	Group	**Company**	Company
	30 June 2024	31 December 2022	**30 June 2024**	31 December 2022
	£'000	£'000	**£'000**	£'000
Trade payables	**590**	556	**58**	104
Accruals and other creditors	**1,458**	1,757	**214**	260
Intercompany payables	**-**	-	**1,085**	630
Other loans	**1,938**	159	**978**	**-**
Finance lease creditor (IFRS 16)	**153**	62	**-**	5
Financial liabilities	**4,139**	2,534	**2,335**	999
Other taxes and social security payable	**-**	-	**-**	-
Contractual liabilities	**120**	80	**-**	-
Non-financial liabilities	**120**	80	**-**	-
Total trade and other payables	**4,259**	2,614	**2,335**	999
Shown on the balance sheet as:				
Long term borrowings	**1,098**	27	**978**	-
Short term borrowings	**994**	195	**-**	-
Contractual liabilities	**120**	80	**-**	-
Trade and other payables	**2,047**	2,312	**1,357**	999
	4,259	2,614	**2,335**	999

Trade and other payables principally comprise amounts outstanding for trade purchases and ongoing costs, as well as payments received in advance on contracts. The average credit period taken for trade purchases in 30 June 2024 was 106 days (31 Dec 2022: 51 days). The Directors consider that the carrying value of trade payables approximates to their fair value.

Contractual liabilities relate to amounts received from customers at period-end but not yet earned.

At 30 June 2024 £364,000 (31 Dec 2022: £194,000) of payables were denominated in US dollars, £8,000 (31 Dec 2022: £85,000) were denominated in Euros, Nil (31 Dec 2022: £4,000) were denominated in Ghanaian Cedi and £1,000 (31 Dec 2022: £39,000) were denominated in Sierra Leone Leones.

Notes to the Financial Statements

24. CASH FLOW ADJUSTMENTS AND CHANGES IN WORKING CAPITAL

The following non-cash flow adjustments and adjustments for changes in working capital have been made to loss before taxation to arrive at operating cash flow:

	Group 30/06/2024 Total	Group 31/12/2022 Total
	£'000	£'000
Adjustments:		
Depreciation, amortisation and impairment of non-financial assets	**389**	252
Financial costs	**209**	40
(Profit)/loss on disposal of non-financial assets	**(6)**	(4)
(Increase)/decrease in Deferred Tax Asset	**4**	-
Share-based payment expenses	**67**	-
Non-cash transactions	**2,312**	(36)
Total adjustments	**2,975**	252

	Group 30/06/2024 Total	Group 31/12/2022 Total
	£'000	£'000
Net changes in working capital:		
(Increase)/decrease in inventories	**(170)**	196
Decrease/(increase) in trade and other receivables	**372**	(485)
Decrease/(increase) in long term receivables	**593**	(169)
Increase/(decrease) in contract liabilities	**40**	(7)
(Decrease)/(increase) in trade and other payables	**(261)**	558
Movement on discontinued balances	**-**	(662)
Total changes in working capital	**574**	(569)

	Company 30/06/2024	Company 31/12/2022
	£'000	£'000
Adjustments:		
Depreciation, amortisation and impairment of non-financial assets	**147**	121
Disposal of fixed Assets	**8**	-
Share-based payment expenses	**67**	-
Total adjustments	**222**	121
Net changes in working capital:		
Decrease/increase) in trade and other receivables	**989**	(853)
Increase in trade and other payables	**359**	360
Total changes in working capital	**1,348**	(493)

25. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

In February 2022, Clydesdale Bank PLC trading as Yorkshire Bank offered the Group an overdraft and other banking facilities. As a condition of these facilities the Company entered into a multilateral charge and guarantee in respect of bank overdrafts and other facilities of all companies within the Group.

26. FINANCIAL RISK MANAGEMENT

The Group is exposed to various risks in relation to financial assets and liabilities. The main types of risk are foreign currency risk, interest rate risk, credit risk and liquidity risk.

The Group's risk management is closely controlled by the Board and focuses on actively securing the Group's short to medium term cash flows by minimising the exposure to financial markets. The Group does not actively trade in financial assets for speculative purposes, nor does it write options. The most significant financial risks are currency risk and interest rate risk

Foreign currency sensitivity

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro (EUR) and US dollar (USD) but also the Sierra Leone New Leone (SLE). The Group's policy is to match the currency of the order with the principal currency of the supply of the equipment. Where it is not possible to match those foreign currencies, the Group might consider hedging exchange risk through a variety of hedging instruments such as forward rate agreements, although no such transactions have ever been entered into.

Notes to the Financial Statements

Group	Short-term exposure USD	Short-term exposure EUR	Short-term exposure SLL	Short-term exposure GHS
	£'000	£'000	£'000	£'000
30 June 2024				
Financial assets	**332**	**6**	**1**	**-**
Financial liabilities	**(364)**	**(8)**	**1**	**-**
Total exposure	**(32)**	**(2)**	**2**	**-**
31 December 2022				
Financial assets	1,313	11	-	71
Financial liabilities	(194)	(85)	(39)	(4)
Total exposure	1,119	(74)	(39)	67

If the US dollar were to depreciate by 10% relative to its period end rate, this would cause a gain in profits to 30 June 2024 of £4,000 (31 Dec 2022: £124,000 Loss).

If the Euro were to depreciate by 10% relative to its period end rate, this would cause a gain in profits to 30 June 2024 of an immaterial amount (31 Dec 2022: £8,000 Gain).

If the Sierra Leonean Leone were to depreciate by 10% relative to its period end rate, this would cause a loss in profits to 30 June 2024 of an immaterial amount (31 Dec 2022: £4,000 Gain).

If the Ghanaian Cedi were to depreciate by 10% relative to its period end rate, this would cause no change in profits to 30 June 2024 (31 Dec 2022: £7,000 Loss).

Exposures to foreign exchange rates vary during the period depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Group's exposure to currency risk. Net foreign currency denominated financial assets and liabilities are immaterial for the Company.

Interest rate sensitivity

The interest rate on the borrowings is fixed for the term of the loan. Therefore, no calculation of interest rate sensitivity has been undertaken..

Credit risk analysis

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and where possible working on a "cash with order".

The Group has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. In the case of material sales transactions, the Group usually demands an initial deposit from customers and generally seeks to ensure that the balance of funds is secured by way of a letter of credit or similar instruments.

None of the Group's financial assets are secured by collateral or other credit enhancements. Details of allowance for credit losses are shown in note 18 of these financial statements.

The Company has investments in and amounts owing from subsidiary companies. The amounts owing are held at fair value. For loans that are repayable on demand, expected credit losses are based on the assumption that repayment of the loan is demanded at the reporting date. If the subsidiary has sufficient accessible highly liquid assets in order to repay the loan if demanded at the reporting date, the expected credit loss is likely to be immaterial. If it does not, then an impairment will be considered.

Liquidity risk analysis

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages its liquidity needs by monitoring scheduled debt repayments for long term financial liabilities as well as forecast cash flows due in day-to-day business. Net cash requirements are compared to borrowing facilities in order to determine headroom or any shortfalls. This analysis shows if available borrowing facilities are expected to be sufficient over the outlook period.

As at 30 June 2024, the Group's financial liabilities have contractual maturities (including interest payments, where applicable) as summarised below:

	30 June 2024			31 Dec 2022		
	Current (within 6 months)	**6 to 12 months**	**Non-Current (1-5 years)**	Current (within 6 months)	6 to 12 months	Non-Current (1-5 years)
	£'000	**£'000**	**£'000**	£'000	£'000	£'000
Group						
Trade and other payables	**2,047**	**-**	**-**	2,587	-	-
Total	**2,047**	**-**	**-**	2,587	-	-
Company						
Trade and other payables	**1,357**	**-**	**-**	999	-	-
Total	**1,357**	**-**	**-**	999	-	-

Notes to the Financial Statements

27. RELATED PARTY TRANSACTIONS

Balances and transactions between the Company and its subsidiaries, which are related parties, are listed below:

	Balance at 31 December 2021	Movement in Year 2022	Balance at 31 December 2022	**Movement in 18 month period 2024**	**Balance at 30 June 2024**
Group Loan	-	-	-	**(97)**	**(97)**
Westminster International Limited	127	(713)	(586)	**(456)**	**(1,042)**
Westminster Security Limited (formerly Longmoor Security Limited)	-	62	62	**80**	**142**
Westminster Aviation Security Services Limited	4,762	(1,432)	3,330	**(2,544)**	**786**
Sovereign Ferries Limited	548	(2)	546	**(546)**	**-**
Westminster Operating Limited	(174)	2,075	1,901	**3,200**	**5,101**
Keyguard U.K Limited	332	(10)	322	**42**	**364**
Longmoor (SL) Limited	(24)	2	(22)	**1**	**(21)**
Facilities Operations Management Limited	1,499	24	1,523	**(2)**	**1,521**
Westminster Sierra Leone Limited*	-	-	-	**-**	**-**
Westminster Group GMBH	1,188	133	1,321	**100**	**1,421**
GLIS Gesellschaft für Luftfahrt- und Infrastruktur-Sicherheit GmbH	-	-	-	**-**	**-**
Westminster Sicherheit GMBH	-	-	-	**-**	**-**
Euro Ops SARL	187	51	238	**83**	**321**
Westminster Maritime Services Limited	(21)	-	(21)	**-**	**(21)**
Longmoor Security Services Limited (formerly Westminster Aviation Security Services (ME) Limited)	-	-	-	**-**	**-**
WASS DRC	-	-	-	**27**	**27**
	8,424	190	8,614	**(112)**	**8,502**

The remuneration of the Directors, who are the key management personnel of the Group, is set out in the Remuneration Committee report on page 60 as are details of pension contributions for Directors.

In the period to 30 June 2024 fees and expenses of nil (31 Dec 2022: £2,640) plus VAT were accrued to Graham Binns Consulting Limited, a Limited Liability Partnership under the control of Major General (Rtd) Graham Binns. On the 30 June 2024 Graham Binns Consulting Limited was owed £nil (31 Dec 2022: £nil).

Certain members of the Fowler family, other than directors, have been employed by the Group on normal arms-length terms for between 1 and 26 years. Their remuneration, in aggregate, for the eighteen months ended 30 June 2024 was £286,878 (31 Dec 2022 twelve months: £176,718)

28. DISCONTINUED OPERATIONS

At 30 September 2017 the Group took the decision to dispose of its ferry operation in Sierra Leone. The last vessel, the Sierra Queen, was sold in February 2020 on extended terms. The Covid 19 pandemic and subsequent issues with the boat has meant that despite having reservation of title, personal and cross guarantees from the purchaser, it is looking increasingly probable that all or part of the remaining debt may be uncollectable. Prudently the group has reserved £561,000 against all of the remaining debt.

We announced in November 2022 that the relationship with our local partners, Scanport, regarding our Ghana port project had become increasingly strained and that we were looking to resolve matters through mediation to include accelerated receipt in recompense for early termination, which would free up resources for new large-scale projects expected in 2023. This was finally resolved in December 2023 and remaining balances associated with the Ghana project amounting to £702.000 have been written off.

Consolidated income	30/06/2024	
	£'000	£'000
Revenue	**-**	949
Cost of sales	**-**	(457)
Gross profit	**-**	492
Operating expenses	**-**	(139)
PROFIT FROM OPERATIONS	**-**	354
Other income / (losses	**(1,263)**	-
Discontinued operations loss after tax for the year from discontinued operations	**(1,263)**	354
Financial Position		
Trade and other receivables	**-**	872
Non-current Receivable	**-**	479
Cash Flow		
PROFIT / (LOSS)	**(1,263)**	354
Movement on fixed assets	**-**	(66)
Net changes in working capital	**1,263**	(541)
Changes in intercompany balances	**-**	(55)
NET CASH USED IN OPERATING ACTIVITIES	**-**	(309)
Opening cash	**-**	309
Closing cash	**-**	-
Cash outflow	**-**	(309)

29. EVENTS AFTER THE REPORTING PERIOD

On 1 November the group announced that Pantheon A Family Office Limited were subscribing for 20,833,333 new ordinary shares of 0.01p each ('Subscription Shares') at 2.4p. with 500,000 warrants exercisable at 10p per share, valid for 3 years from the date of issue.

Westminster Group PLC

Company information

Directors

Executive
Peter Fowler
Mark Hughes
Stuart Fowler

Directors

Non-Executives
Sir Tony Baldry (Chairman)
Simon Barrell
Major General (Rtd)
Graham Binns

Company Secretary

Jing Zhou

Registered office

Westminster House
Blacklocks Hill
Banbury
Oxfordshire
OX17 2BS

Principal bankers

Clydesdale Bank Plc
trading as Yorkshire Bank
94-96 Briggate
Leeds
West Yorkshire
LS1 6NP

Registrars

Link Asset Services
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65 Gresham Street
London
EC2V 7NQ

Nominated & Financial Adviser

Strand Hanson Limited
26 Mount Row
Mayfair
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W1K 3SQ

Financial public relations

Walbrook PR
75 King William Street
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Stockbroker

Zeus Capital Limited
125 Old Broad Street
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EC2N 1AR

Solicitors

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Linden House
55 The Green
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Banbury
OX16 9AB

Solicitors

Bird & Bird LLP
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Auditor

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Longmoor Security Ltd	+44 (0) 1295 756380	info@longmoor-security.com
Euro-Ops	+33 (0) 6 08 07 09 25	ops@euro-ops.net
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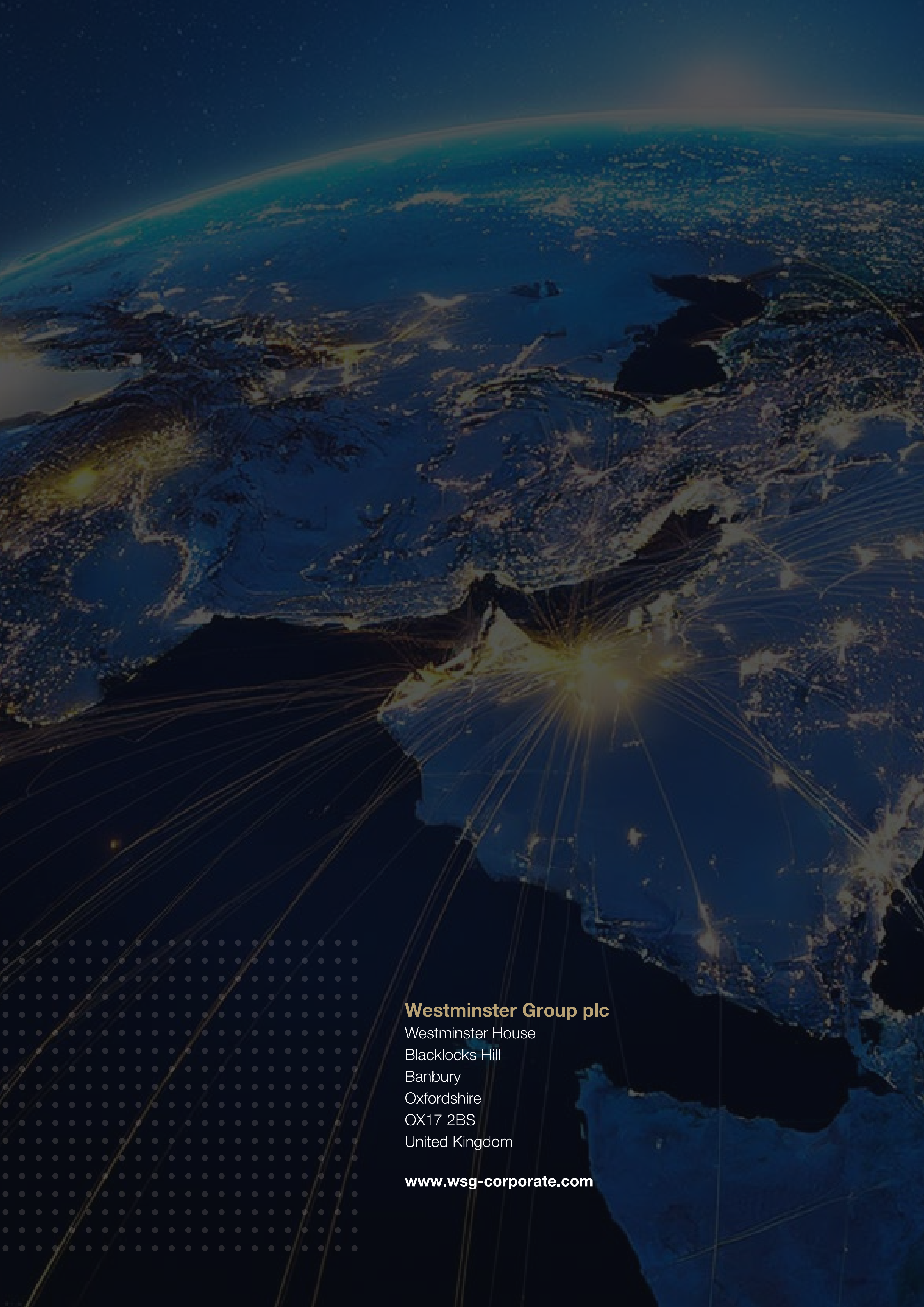

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