Company Registration No 01941721 (England and Wales)

VIDEX SECURITY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

CARTWRIGHTS
Accountants and Business Advisors
Regency House
33 Wood Street
Barnet
Herts
EN5 4BE

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VIDEX SECURITY LIMITED

COMPANY INFORMATION

Directors	J D Rickard K E Andrews Mrs J Bennett P Hill R Sands
Secretary	J D Rickard
Company number	01941721
Registered office	Regency House 33 Wood Street Barnet Herts EN5 4BE
Auditors	Cartwrights Accountants and Business Advisors Regency House 33 Wood Street Barnet Hertfordshire EN5 4BE
Business address	1 Osprey Trinity Park Trinity Way London E4 8TD

VIDEX SECURITY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2012

The directors present their report and financial statements for the year ended 31 December 2012

Directors
The following directors have held office since 1 January 2012

J D Rickard
K E Andrews
Mrs J Bennett
P Hill
R Sands

Principal activities and review of the business
The principal activity of the company in the year under review continued to be that of retail suppliers of locks and entryphone systems

The directors are pleased with the results of the company for the year The directors anticipate that the results for the ensuing year should be comparable with the year under review The economy in general has shown a downturn but due to heavy marketing and development and implementation of new products the directors do not expect any significant changes in the company's performance

Principal risks and uncertainties
The management of the business and the execution of the Company's strategy are subject to a number of risks, but the following have been identified by the directors as being the main risks that could potentially impact on the Company's operating and financial performance

1 The economy

The industry is largely driven by economic cycles and levels of business confidence The directors have attempted to reduce this cyclical risk by expanding geographically and increasing its customer base

2 Competition

The company operates in a highly competitive market with the mitigation of risk being achieved by the continuous review by the directors of competitors and potential opportunities available

Key performance indicators
The directors continuously monitor the performance of the Company and at present consider turnover and the gross profit to be their key performance indicators

Results and dividends
The profit and loss account for the year is set out on page 5

An interim ordinary dividend was paid amounting to £396,820 The directors do not recommend payment of a final dividend

Research and development activities
Design and development costs on new products are incurred by the company on an ongoing basis

Post balance sheet events
There have been no material post balance sheet events after the year end

VIDEX SECURITY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2012

Future developments
The directors anticipate that the company will show continued profitability in the new financial year

Charitable donations	**2012**	**2011**
	£	**£**
During the year the group made the following payments		
Charitable donations	2,477	2,085

Taxation status
The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year

Auditors
In accordance with the company's articles, a resolution proposing that Cartwrights be reappointed as auditors of the company will be put at a General Meeting

Directors' responsibilities
The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

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

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Statement of disclosure to auditors
So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information

On behalf of the board

J Rickard
Director
16/9/13

VIDEX SECURITY LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF VIDEX SECURITY LIMITED

We have audited the financial statements of Videx Security Limited for the year ended 31 December 2012 set out on pages 5 to 16 The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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 auditors' 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

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland)

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 2006 We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

VIDEX SECURITY LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF VIDEX SECURITY LIMITED

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Eric McIntyre FCCA (Senior Statutory Auditor)
for and on behalf of Cartwrights

17/9/13

Statutory Auditor
Accountants and Business Advisors
Regency House
33 Wood Street
Barnet
Hertfordshire
EN5 4BE

VIDEX SECURITY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 £	2011 £
Turnover	2	7,799,684	7,891,760
Cost of sales		(4,515,369)	(4,784,652)
Gross profit		3,284,315	3,107,108
Distribution costs		(139,225)	(128,693)
Administrative expenses		(2,797,570)	(2,584,237)
Other operating income		15,589	1,968
Profit on ordinary activities before taxation	3	363,109	396,146
Tax on profit on ordinary activities	4	(76,536)	(82,097)
Profit for the year	14	286,573	314,049

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

VIDEX SECURITY LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2012

	Notes	2012 £	2012 £	2011 £	2011 £
Fixed assets					
Tangible assets	6 and 7		861,974		875,291
Current assets					
Stocks	8	876,716		812,441	
Debtors	9	1,469,502		1,850,468	
Cash at bank and in hand		541,047		443,436	
		2,887,265		3,106,345	
Creditors amounts falling due within one year	10	(1,898,681)		(2,183,127)	
Net current assets			988,584		923,218
Total assets less current liabilities			1,850,558		1,798,509
Provisions for liabilities	11		(29,093)		(29,297)
			1,821,465		1,769,212
Capital and reserves					
Called up share capital	13		100		100
Profit and loss account	14		1,821,365		1,769,112
Shareholders' funds	15		1,821,465		1,769,212

Approved by the Board and authorised for issue on 16/9/13

J D Rickard
Director

Company Registration No. 01941721

VIDEX SECURITY LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2012

	£	2012 £	£	2011 £
Net cash inflow from operating activities		591,776		260,314
Taxation		(72,643)		(29,001)
Capital expenditure				
Payments to acquire tangible assets	(28,408)		(329,500)	
Net cash outflow for capital expenditure		(28,408)		(329,500)
Equity dividends paid		(234,320)		(272,632)
Net cash inflow/(outflow) before management of liquid resources and financing		256,405		(370,819)
Increase/(decrease) in cash in the year		256,405		(370,819)

VIDEX SECURITY LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2012

1	***Reconciliation of operating profit to net cash inflow from operating activities***	**2012**	**2011**
		£	**£**
	Operating profit	363,109	396,146
	Depreciation of tangible assets	41,725	31,917
	Increase in stocks	(64,275)	(113,556)
	Decrease/(increase) in debtors	380,966	(470,789)
	(Decrease)/Increase in creditors within one year	(129,749)	416,596
	Net cash inflow from operating activities	591,776	260,314

2	**Analysis of net funds**	**1 January 2012**	**Cash flow**	**Other non-cash changes**	**31 December 2012**
		£	**£**	**£**	**£**
	Net cash				
	Cash at bank and in hand	443,436	97,611	-	541,047
	Bank overdrafts	(158,794)	158,794	-	-
		284,642	256,405	-	541,047
	Bank deposits	-	-	-	-
	Net funds	284,642	256,405	-	541,047

3	***Reconciliation of net cash flow to movement in net funds***	**2012**	**2011**
		£	**£**
	Increase/(decrease) in cash in the year	256,405	(370,819)
	Movement in net funds in the year	256,405	(370,819)
	Opening net funds	284,642	655,461
	Closing net funds	541,047	284,642

VIDEX SECURITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

1 4 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit

1.5 Tangible fixed assets and depreciation

Tangible fixed assets include investment properties professionally valued by Chartered Surveyors on an existing use open market value basis Other tangible fixed assets are stated at cost less depreciation Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Leasehold improvements	20% on cost
Plant and machinery	20% on cost
Fixtures, fittings & equipment	10% on cost
Motor vehicles	25% on cost

Investment properties are included in the balance sheet at their open market value Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified

1.6 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

Fixed asset investments are stated at the lower of cost and net realisable value

Dividend income is brought into account in the profit and loss account when received

1 7 Stock

Stock is valued at the lower of cost and net realisable value

1.8 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

1 Accounting policies

1.9 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future

1 10 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction All differences are taken to profit and loss account

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

3 Operating profit	**2012**	**2011**
Operating profit is stated after charging	**£**	**£**
Depreciation of tangible assets	41,725	31,917
Loss on foreign exchange transactions	2,806	1,246
Research and development	26,552	50,459
Operating lease rentals		
- Plant and machinery	99,509	106,886
- Other assets	176,969	179,679
Auditors' remuneration	8,000	8,000

4 Taxation	2012 £	2011 £
Domestic current year tax		
U K corporation tax	76,740	72,643
Total current tax	76,740	72,643
Deferred tax		
Deferred tax charge current year	(204)	9,454
	76,536	82,097
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	363,109	396,146
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21 01% (2011 - 23 27%)	76,289	92,183
Effects of		
Non deductible expenses	8,531	10,662
Depreciation add back	8,766	7,281
Capital allowances	(7,837)	(20,939)
Tax losses utilised	(2,878)	-
Research & development	(6,625)	(17,586)
Expensive car leasing adjustment	494	1,042
	451	(19,540)
Current tax charge for the year	76,740	72,643

5 Dividends	2012 £	2011 £
Ordinary interim paid	234,320	272,632

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

6 Tangible fixed assets

	Leasehold Improvements	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2012	64,111	197,235	363,998	10,600	635,944
Additions	-	4,265	24,144	-	28,409
At 31 December 2012	64,111	201,500	388,142	10,600	664,353
Depreciation					
At 1 January 2012	61,334	194,767	184,245	4,365	444,711
Charge for the year	969	2,334	32,188	6,235	41,726
At 31 December 2012	62,303	197,101	216,433	10,600	486,437
Net book value					
At 31 December 2012	1,808	4,399	171,709	-	177,916
At 31 December 2011	2,777	2,468	179,753	6,235	191,233

7 Tangible fixed assets

	Investment properties
	£
Cost	
At 1 January 2012 & at 31 December 2012	684,058
Net book value	
At 31 December 2012	684,058
At 31 December 2011	684,058

The directors do not consider that the market values of the investment properties are significantly different from the purchase price No depreciation is provided in respect of the properties

8 Stocks

	2012	2011
	£	£
Finished goods and goods for resale	876,716	812,441

9 Debtors	2012 £	2011 £
Trade debtors	1,242,177	1,778,499
Other debtors	170,369	14,989
Prepayments and accrued income	56,956	56,980
	1,469,502	1,850,468

10 Creditors: amounts falling due within one year	2012 £	2011 £
Bank loans and overdrafts	-	158,794
Trade creditors	1,346,644	1,430,077
Corporation tax	76,740	72,643
Other taxes and social security costs	392,740	367,989
Directors' current accounts	-	556
Accruals and deferred income	82,557	153,068
	1,898,681	2,183,127

11 Provisions for liabilities

	Deferred tax liability £
Balance at 1 January 2012	29,297
Profit and loss account	(204)
Balance at 31 December 2012	29,093

The deferred tax liability is made up as follows:

	2012 £	2011 £
Accelerated capital allowances	29,093	29,297

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

12 Pension and other post-retirement benefir commitments

Defined contribution

The company operates a defined contribution pension scheme The assets of the scheme are held separately from those of the company in an independently administered fund The pension cost charge represents contributions payable by the company to the fund

	2012 £	2011 £
Contributions payable by the company for the year	90,484	85,375

13 Share capital

	2012 £	2011 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

14 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2012	1,769,112
Profit for the year	286,573
Dividends paid	(234,320)
Balance at 31 December 2012	1,821,365

15 Reconciliation of movements in shareholders' funds

	2012 £	2011 £
Profit for the financial year	286,573	314,049
Dividends	(234,320)	(272,632)
Net addition to shareholders' funds	52,253	41,417
Opening shareholders' funds	1,769,212	1,727,795
Closing shareholders' funds	1,821,465	1,769,212

16 Financial commitments

At 31 December 2012 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2012	2011	2012	2011
	£	£	£	£
Expiry date				
Within one year	52,140	52,140	75,093	53,940
Between two and five years	52,140	104,280	89,185	84,959
	104,280	156,420	164,278	138,899

17 Directors' remuneration

	2012	2011
	£	£
Remuneration for qualifying services	254,062	345,092
Company pension contributions to defined contribution schemes	54,954	68,760
	309,016	413,852

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 5 (2011 - 5)

Remuneration disclosed above include the following amounts paid to the highest paid director

Remuneration for qualifying services	102,568	102,570

18 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2012 Number	2011 Number
Management	5	5
Administration	45	40
	50	45

Employment costs

	£	£
Wages and salaries	1,440,076	1,375,764
Social security costs	150,238	160,546
Other pension costs	90,484	85,375
	1,680,798	1,621,685

19 Control

The ultimate controlling party is J D Rickard by virtue of his shareholding

20 Related party transactions

As at the balance sheet date the company was owed £162,327 (2011 -£556) by J D Rickard and £4,315 (2011 £5,484) by J Bennett, a director Both advances will be repaid within 9 months of the balance sheet date meaning that the provision of section 455 tax is not required