

Registered number: 01873263

ACCESS LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**



ACCESS LIMITED

COMPANY INFORMATION

Directors

L.L. Crumley (appointed 14 August 2020)
R.C. Glass (appointed 14 August 2020)
B.E. Lidefelt (appointed 14 August 2020)
G.F.M. Nakach (resigned 14 August 2020)
C.L. Williams (resigned 14 August 2020)

Company secretary

K. Higgins (appointed 14 August 2020)
L. Hall (resigned 14 August 2020)

Registered number

01873263

Registered office

Unit 18 Suttons Business Park
Sutton Park Avenue
Reading
RG6 1AZ

Independent auditor

Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
First Floor
One Valpy
20 Valpy Street
Reading
RG1 1AR

ACCESS LIMITED

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ACCESS LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

Introduction

The principal activity of the company is the manufacture, design and supply of passport, travel document and ticket readers and validators for mass transit, security and identification purposes.

Business review

The company's sales continue to diversify with growth in transportation ticketing applications and personal identification applications. The company continues to invest in research and development and plans to further broaden its product range with new devices being introduced into its target markets.

The Directors are pleased to note the result for the year is satisfactory in the current climate.

Principal risks and uncertainties

Technology risks

The company's main activities involve a range of technologies. The company undertakes a range of technology research and development activities to ensure it remains at the forefront of technological advances within its target markets. The company also reviews, on an ongoing basis, technological developments which might impact the company.

Financial risk management objectives and policies

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The group holds bank balances in foreign currencies to mitigate these risks. Foreign currencies are typically exchanged for GBP at the month end.

Cash Flow Risk

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The group holds bank balances in foreign currencies to mitigate these risks. Foreign currencies are typically exchanged for GBP at the month end.

Credit Risk

The company's principal financial assets are cash and trade and other receivables. The company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. The group has no significant concentration of credit risk, with exposure spread over a large client base.

Liquidity Risk

The bank balances are controlled in order to ensure sufficient funds are available for the company to meet its business needs.

Brexit

The Directors continually monitor developments regarding Brexit and how they might impact the business.

Coronavirus

The Directors are monitoring the situation. The company is aware of the potential impact of the Coronavirus on its business and has modelled the possible impacts against its plans for 2022. The result of these models shows that the company remains able to meet its liabilities throughout the year and the Board therefore concluded that the Going Concern basis remains appropriate for the preparation of its Financial Statement.

ACCESS LIMITED

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Future Developments

The directors expect the Company to continue with its current operations for the foreseeable future.

Financial key performance indicators

The Company utilises the following financial key performance indicators:

	2020	2019
Revenue (£)	£17,465,949	£18,780,588
Gross margin	42%	43%
EBITDA (£)	£2,644,223	£2,262,311
Cash (£)	£254,360	£3,565,697

In comparing the cash held position year on year in addition to the cash held by Access Ltd as at 31st December 2021 there was a further £3.5 million on deposit with Assa Abloy, as part of the group treasury function, which is included at the year end within Amounts owed by group undertakings in Debtors. This cash was subsequently transferred back into a bank account in Access Ltd's name shortly after year end.

This report was approved by the board.

Laura Crumley

L.L. Crumley
Director
Date: 22/12/2021

ACCESS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their report and the financial statements for the year ended 31 December 2020.

Results and dividends

The profit for the year, after taxation, amounted to £2,143,460 (2019 - £1,714,636).

The directors do not recommend a dividend (2019: £Nil).

Directors

The directors who served during the year were:

L.L. Crumley*
R.C. Glass*
B.E. Lidefelt*
G.F.M. Nakach**
C.L. Williams**

* Appointed 14 August 2020

** Resigned 14 August 2020

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 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, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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 to 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.

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

ACCESS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Going concern

Management have carried out a thorough review of the company's ability to prepare these financial statements on the going concern basis. Forecasts have been prepared which focus on the profitability of the group, stretching to December 2022. A range of scenarios were assessed in coming to this view and the forecasts have been subjected to sensitivity analysis to reflect this. The group has adequate funds to finance their working capital requirements and debt obligations. After reviewing these forecasts of profitability and working capital requirements of the group and the impact of these on the company, the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Research and development activities

The company has continued to write off all research and development costs incurred to the profit and loss whilst continuing its strategy to use its knowledge and resource to be innovative in developing new products.

Matters covered in the strategic report

Financial risk management policies and objectives and future developments for the period ending 31 December 2020 are disclosed in the strategic report as required by s414C(11).

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This report was approved by the board and signed on its behalf.

Laura Crumley

L.L. Crumley
Director
Date: 22/12/2021



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCESS LIMITED

Opinion

We have audited the financial statements of Access Limited (the 'Company') for the year ended 31 December 2020, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 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.

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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCESS LIMITED (CONTINUED)

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

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.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 year 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.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCESS LIMITED (CONTINUED)

Matter on which we are required to report under the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

Responsibilities of directors for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCESS LIMITED (CONTINUED)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

How we obtained an understanding of the legal and regulatory framework

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the parent company, the group and industry in which it operates through our commercial and sector experience; making enquiries of management and those charged with governance; and inspection of the company's key external correspondence. We corroborated our enquiries through our review other information obtained during the course of the audit.
- We communicated relevant laws and regulations as well as potential fraud risks to all engagement team members and encouraged members to exercise professional scepticism and to remain alert to any conditions that may suggest fraud has occurred or potential non-compliance with relevant laws and regulations.

Which laws and regulations we identified as being significant in the context of the company

- Through the understanding that we obtained, we determined the most significant legal and regulatory frameworks which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks including United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; the Companies Act 2006; and the relevant taxation legislation.

How we assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur

- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by considering management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls. We determined that the principal risks were in relation to the estimation and judgemental areas of recognition of revenue; potential management bias in determining accounting estimates and through management override of controls.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCESS LIMITED (CONTINUED)

Our audit procedures included:

- Making enquiries of management concerning the company's policies and procedures relating to the identification, evaluation and compliance with laws and regulations; the detection and response to the risks of fraud; and the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations. We considered whether there is a culture of honesty and ethical behaviour within the company and whether there is a strong emphasis of prevention and deterrence of fraud amongst those charged with governance. We also enquired with management and those charged with governance whether they were aware of any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual, suspected, or alleged fraud.
- Gaining an understanding of the controls that management has in place to prevent and detect fraud.
- Challenging significant accounting assumptions, estimates and judgements made by management, including those relevant to estimation and judgemental areas of recognition of revenue; potential management bias in determining accounting estimates and through management override of controls.
- Using data interrogation software and our understanding of the company to identify and test large or unusual journal entries which may indicate a higher risk of fraud.
- Gaining an understanding of and testing significant identified related party transactions.
- Assessing the extent of compliance with the relevant laws and regulations as part of our audit procedures on the related financial statement item.
- Performing audit procedures to consider the compliance of disclosures in the financial statements with applicable financial reporting requirements.

How we assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations

Our audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. However, detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as those irregularities that result from fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

- Understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation.
- Knowledge of the industry in which the company operates.
- Understanding of the relevant legal and regulatory frameworks specific to the company including: the provisions of the applicable legislation; the regulators rules and related guidance, including guidance issued by relevant authorities that interprets those rules; and the applicable statutory provisions.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCESS LIMITED (CONTINUED)

Which matters about non-compliance with laws and regulations and fraud were communicated with the audit Team

- Communications within the audit team in respect of potential non-compliance with laws and regulations and fraud included the potential for fraud in relation to the estimation and judgemental areas of recognition of revenue; potential management bias in determining accounting estimates and through management override of controls in the preparation of the financial statements.

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.

Grant Thornton UK LLP

Steven Cenci FCA
Senior statutory auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Reading
Date: 22/12/2021

ACCESS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Turnover	4	17,465,949	18,780,588
Cost of sales		(10,161,261)	(10,723,355)
Gross profit		7,304,688	8,057,233
Distribution costs		(887,757)	(1,072,914)
Administrative expenses		(4,084,247)	(5,093,893)
Operating profit	5	2,332,684	1,890,426
Interest receivable and similar income	9	6,042	14,674
Interest payable and expenses	10	(79,845)	(120,000)
Profit before tax		2,258,881	1,785,100
Tax on profit	11	(115,421)	(70,464)
Profit for the financial year		2,143,460	1,714,636
Total comprehensive income for the year		2,143,460	1,714,636

There were no recognised gains and losses for 2020 or 2019 other than those included in the statement of comprehensive income.

The notes on pages 14 to 29 form part of these financial statements.

ACCESS LIMITED
REGISTERED NUMBER:01873263

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	2020 £	Restated 2019 £
Fixed assets			
Tangible assets	12	107,105	377,054
Investments	13	5	5
		<u>107,110</u>	<u>377,059</u>
Current assets			
Stocks	14	4,453,370	4,569,828
Debtors: amounts falling due within one year	15	9,641,203	4,873,400
Cash at bank and in hand	16	254,360	3,565,697
		<u>14,348,933</u>	<u>13,008,925</u>
Creditors: amounts falling due within one year	17	(2,514,498)	(2,583,733)
Net current assets		<u>11,834,435</u>	<u>10,425,192</u>
Total assets less current liabilities		<u>11,941,545</u>	<u>10,802,251</u>
Creditors: amounts falling due after more than one year	18	-	(1,000,000)
Provisions for liabilities			
Other provisions	20	(87)	(4,253)
		<u>(87)</u>	<u>(4,253)</u>
Net assets		<u><u>11,941,458</u></u>	<u><u>9,797,998</u></u>
Capital and reserves			
Called up share capital	21	2,000	2,000
Profit and loss account	22	11,939,458	9,795,998
		<u><u>11,941,458</u></u>	<u><u>9,797,998</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Laura Crumley

L.L. Crumley
 Director
 Date: 22/12/2021

ACCESS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2020	2,000	9,795,998	9,797,998
Comprehensive income for the year			
Profit for the year	-	2,143,460	2,143,460
At 31 December 2020	2,000	11,939,458	11,941,458

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2019 (as previously stated)	2,000	8,584,720	8,586,720
Prior year adjustment	-	(503,358)	(503,358)
At 1 January 2019 (as restated)	2,000	8,081,362	8,083,362
Comprehensive income for the year			
Profit for the year	-	1,714,636	1,714,636
At 31 December 2019	2,000	9,795,998	9,797,998

The notes on pages 14 to 29 form part of these financial statements.

ACCESS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. General information

Access Limited is a private company limited by shares and incorporated England & Wales. Its registered head office is located at Unit 18, Suttons Business Park, Earley, Reading, RG6 1AZ. Its registered number is 01873263.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The company has taken the advantage of the exemption from preparing consolidated financial statements afforded by Section 400 of the Companies Act 2006 because it is a subsidiary of HID Corporation Ltd, a company incorporated in the UK, which includes Access Ltd in its own consolidation. HID Corporation Ltd's accounts are publicly available from Companies House.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of HID Corporation Ltd as at 31 December 2020 and these financial statements may be obtained from Companies House.

ACCESS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.3 Going concern

After reviewing the Company's forecasts and projections, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future being a period of at least 12 months from the date of approval of these accounts.

The business has been impacted by the global pandemic Covid 19 which has ongoing and uncertain implications for our customers, suppliers and workforce. The directors have considered a multiple of potential scenarios and their impact on the forecasts and consider that the Company has adequate working capital reserves to absorb the foreseeable impact of this outbreak and is working to mitigate the business risks as this situation evolves.

The Company therefore continues to adopt the going concern basis in preparing its financial statements.

2.4 Basis of consolidation

The Company was, at the end of the year, a wholly-owned subsidiary of HID Corporation Ltd, and in accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated accounts. The information contained within these accounts represents the financial position and performance of the individual company only for the year ended 31 December 2020, and not that of its group.

2.5 Revenue

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

ACCESS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)**2.6 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold property improvements	-	20% of cost per annum
Plant and machinery	-	30% of cost per annum
Motor vehicles	-	30% of cost per annum
Computer equipment	-	30% of cost per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.7 Research and development costs

Research and development expenditure is written off in the year in which it is incurred.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Impairment loss are recognised in the profit and loss.

2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

ACCESS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.13 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.14 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.15 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

ACCESS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.16 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.17 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.18 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.19 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

ACCESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

The following critical judgements made by management in applying the Company's accounting policies have the most significant impact on the amounts recognised in the financial statements.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will seldom equal the actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are:

Impairment of inventory

Although the Company manufactures to specific customer order, certain generic raw materials and components are purchased based on expected order levels. As a result it is necessary to consider the recoverability of the cost of inventory and any associated impairment provisioning required. When calculating the inventory impairment provision, management considers the nature and condition of the inventory as well as applying assumptions about the future usage of raw materials and components. The impairment provision is included within the amounts in note 14 to the financial statements.

4. Turnover

The whole of the turnover is attributable to the principal activities of the Company.

Analysis of turnover by country of destination:

	2020 £	2019 £
United Kingdom	2,163,530	1,430,192
Overseas sales	15,302,419	17,350,396
	<u>17,465,949</u>	<u>18,780,588</u>

5. Operating profit

The operating profit is stated after charging:

	2020 £	2019 £
Research & development charged as an expense	2,122,004	2,259,559
Depreciation of tangible fixed assets	318,708	371,885
Exchange differences	(124,176)	(19,143)
Other operating lease rentals	143,090	124,269
Impairment of trade receivables	(17,500)	(17,831)
Impairment of inventory	195,880	24,359
	<u>195,880</u>	<u>24,359</u>

ACCESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

6. Auditor's remuneration

	2020 £	2019 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>78,900</u>	<u>44,000</u>
Fees payable to the Company's auditor and its associates in respect of:		
Taxation compliance services	8,425	8,425
All other services	3,500	7,500
	<u>11,925</u>	<u>15,925</u>

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2020 £	2019 £
Wages and salaries	3,378,075	3,815,691
Social security costs	400,562	379,643
Cost of defined contribution scheme	261,405	249,750
	<u>4,040,042</u>	<u>4,445,084</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Average number of employees	<u>82</u>	<u>83</u>

ACCESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**8. Directors' remuneration**

	2020 £	2019 £
Directors' emoluments	400,129	396,942
Company contributions to defined contribution pension schemes	15,655	21,339
	<u>415,784</u>	<u>418,281</u>

During the year retirement benefits were accruing to 2 directors (2019 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £282,483 (2019 - £257,229).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £9,419 (2019 - £15,199).

9. Interest receivable

	2020 £	2019 £
Other interest receivable	<u>6,042</u>	<u>14,674</u>

10. Interest payable and similar expenses

	2020 £	2019 £
Loans from related undertakings	<u>79,845</u>	<u>120,000</u>

ACCESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

11. Taxation

	2020 £	2019 £
Current tax on profits for the year	123,122	-
Adjustments in respect of previous periods	-	69,697
	<u>123,122</u>	<u>69,697</u>
Deferred tax		
Origination and reversal of timing differences	5,898	51,359
Adjustments in respect of previous periods	(8,241)	(50,592)
Effect of tax rate change on opening balance	(5,358)	-
Total deferred tax	<u>(7,701)</u>	<u>767</u>
Taxation on profit on ordinary activities	<u><u>115,421</u></u>	<u><u>70,464</u></u>

ACCESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019 - *lower than*) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	2,258,881	1,785,100
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	429,187	339,169
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	260	4,157
Fixed asset differences	24,666	30,156
Adjustments to tax charge in respect of previous periods	-	69,777
Adjustments to tax charge in respect of prior periods - deferred tax	(8,241)	(50,592)
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	(190,430)	(290,136)
Adjust closing deferred tax to average rate of 19%	-	4,387
Adjust opening deferred tax to average rate of 19%	-	(10,430)
Group relief	(150,000)	(26,024)
Deferred tax not recognised	13,722	-
Remeasurement of deferred tax for changes in tax rates	(3,743)	-
Total tax charge for the year	115,421	70,464

Factors that may affect future tax charges

In the Spring Budget 2020, the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). This new law was substantively enacted on 17 March 2020. In the Spring Budget 2021, the UK Government announced that the headline UK corporation tax rate would increase from 19% to 25% from 1 April 2023 on profits in excess of £250,000. As this new law had not been substantively enacted at the balance sheet date current tax is calculated at 19%.

ACCESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

12. Tangible fixed assets

	Leasehold property improvements £	Plant and machinery £	Computer equipment £	Total £
Cost or valuation				
At 1 January 2020	923,766	928,663	422,286	2,274,715
Additions	5,527	32,442	3,621	41,590
At 31 December 2020	929,293	961,105	425,907	2,316,305
Depreciation				
At 1 January 2020	729,478	823,509	344,674	1,897,661
Charge for the year on owned assets	199,555	68,724	43,260	311,539
At 31 December 2020	929,033	892,233	387,934	2,209,200
Net book value				
At 31 December 2020	260	68,872	37,973	107,105
At 31 December 2019	194,288	105,154	77,612	377,054

ACCESS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2020	5
At 31 December 2020	<u>5</u>
Net book value	
At 31 December 2020	<u>5</u>
At 31 December 2019	<u>5</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Access Keyboards Limited	Unit 18 Suttons Business Park, Reading, RG6 1AZ	Dormant	Ordinary	100%
Access (North America) Inc	C/o Rodl Lagford de Kock, 1100 South Tower, 225 Peachtree Street NE, Atlanta, 30303, USA	Sale of electronic keyboards and data input peripherals	Ordinary	100%
Access IS Limited	Unit 18 Suttons Business Park, Reading, RG6 1AZ	Dormant	Ordinary	100%
Access Interfacing Solutions Limited	Unit 18 Suttons Business Park, Reading, RG6 1AZ	Dormant	Ordinary	100%
Access Keyboards Limited	Unit 18 Suttons Business Park, Reading, RG6 1AZ	Dormant	Ordinary	100%
Access (North America) Inc	C/o Rodl Lagford de Kock, 1100 South Tower, 225 Peachtree Street NE, Atlanta, 30303, USA	Sale of electronic keyboards and data input peripherals	Ordinary	100%
Access IS Limited	Unit 18 Suttons Business Park, Reading, RG6 1AZ	Dormant	Ordinary	100%
Access Interfacing Solutions Limited	Unit 18 Suttons Business Park, Reading, RG6 1AZ	Dormant	Ordinary	100%

ACCESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

14. Stocks

	2020 £	2019 £
Raw materials and consumables	4,016,058	3,020,278
Work in progress (goods to be sold)	380,232	1,219,902
Finished goods and goods for resale	57,080	329,648
	<u>4,453,370</u>	<u>4,569,828</u>

The total provision for irrecoverable stock is £516,038 (2019: £320,680) and has been netted off the total stock held.

15. Debtors

	2020 £	Restated 2019 £
Trade debtors	2,268,460	1,470,193
Amounts owed by group undertakings	7,015,940	2,949,804
Other debtors	101,018	166,930
Prepayments and accrued income	210,792	223,574
Tax recoverable	-	25,607
Deferred taxation	44,993	37,292
	<u>9,641,203</u>	<u>4,873,400</u>

The total provision for irrecoverable debts is £229,413 (2019: £246,913) and has been netted off against the Trade Debtors balance above.

16. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	<u>254,360</u>	<u>3,565,697</u>

ACCESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**17. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Trade creditors	974,033	1,751,328
Other taxation and social security	59,517	125,885
Other creditors	-	37,558
Corporation tax	123,217	-
Accruals and deferred income	596,982	668,962
Other loans	760,749	-
	<u>2,514,498</u>	<u>2,583,733</u>

Other loans are a loan of £760,749 which is on a rolling basis, each term lasting 14 days. Interest accrues on a daily basis and at a rate of 1.52% per annum. This loan replaces the previous loan held in the prior year which was paid back during the year by the ultimate parent, Assa Abloy AB, a company registered in Sweden.

18. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Other loans	<u>-</u>	<u>1,000,000</u>

19. Deferred taxation

	2020 £	2019 £
At beginning of year	37,292	38,059
Charge during the year	7,701	(767)
At end of year	<u>44,993</u>	<u>37,292</u>

ACCESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**19. Deferred taxation (continued)**

The deferred tax asset is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	35,068	18,556
Tax losses carried forward	9,177	8,210
Other timing differences	748	10,526
	<u>44,993</u>	<u>37,292</u>

20. Provisions

	Warranty provision £
At 1 January 2020	4,253
Released during the year	(4,166)
At 31 December 2020	<u><u>87</u></u>

21. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
2,000 (2019 - 2,000) Ordinary shares of £1 each	<u>2,000</u>	<u>2,000</u>

Ordinary shares rank pari-passu and have equal voting and dividend rights.

22. Reserves**Profit and loss account**

The profit and loss account represents the cumulative profits and losses of the Company since its incorporation, less any dividends paid.

ACCESS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

23. Prior year adjustment

During the year it was identified that within trade debtors various amounts were continuing to be held as debtors relating back to 2018 in respect of deposits due that should have previously been released on full and final invoicing. As a result a prior period adjustment has been recognised in these financial statements. The impact of this adjustment has been to reduce opening retained earnings and trade debtors by approximately £503,000.

24. Pension commitments

The Company operates a defined contributions 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 and amounted to £261,405 (2019: £249,750). Contributions totaling £Nil (2019: £37,558) were payable to the fund at the reporting date.

25. Commitments under operating leases

At 31 December 2020 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
Not later than 1 year	199,893	135,849
Later than 1 year and not later than 5 years	799,572	-
	<u>999,465</u>	<u>135,849</u>

26. Related party transactions

The Company has elected not to disclose transactions with other wholly-owned group companies during the period in accordance with FRS 102 section 33 'Related party transactions'.

At the year end the Company had loans payable to Assa Abloy, recorded within note 18, of the financial statements at a value of £760,495 (2019: Payable to Mobeus, £1,000,000). Interest was charged during the period of approximately £74,300 (2019: £120,000).

There are no other transaction with related parties which are required to be disclosed.

All directors and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Company are considered to be key management personnel.

27. Controlling party

The directors considered that Assa Abloy AB is the ultimate controlling party. They are the largest group in which the results of the company are consolidated. The smallest group in which the results are being consolidated is HID Corporation Ltd.

