

**SAFETELL SECURITY SCREENS
LIMITED**

Report and Financial Statements

Year Ended

30 April 2007

SATURDAY



AAWCUT6L

A17

22/09/2007

752

COMPANIES HOUSE



BDO Stoy Hayward
Chartered Accountants

SAFETELL SECURITY SCREENS LIMITED

Annual report and financial statements for the year ended 30 April 2007

Contents

Page:

1	Report of the directors
3	Report of the independent auditors
5	Profit and loss account
6	Balance sheet
7	Notes forming part of the financial statements

Directors

B G Beecraft
J W N Medlam
P Lovell
A S Reid
M Rapoport

Secretary and registered office

B G Beecraft, Unit 46, Fawkes Avenue, Dartford, Kent, DA1 1JQ

Company number

2000652

Bankers

HSBC Plc, 59 Old Christchurch Road, Bournemouth BH1 1EH

Auditors

BDO Stoy Hayward LLP, 2 City Place, Beehive Ring Road, Gatwick, W Sussex RH6 0PA

SAFETELL SECURITY SCREENS LIMITED

Report of the directors for the year ended 30 April 2007

The directors present their report together with the audited financial statements for the year ended 30 April 2007

Results and dividends

The profit and loss account is set out on page 5 and shows the result for the year

The directors do not recommend the payment of a dividend (2006 £Nil)

Principal activities, trading review and future developments

The principal activity of the company is the licensing of trade marks and patent rights. The directors consider the results for the year to be satisfactory and that the company will continue to act in the same capacity in the future.

Directors and their interests

The directors of the company during the year were

B G Beecraft
J W N Medlam
P Lovell
A S Reid
M Rapoport

During the year B G Beecraft, M Rapoport and A S Reid were also directors of the ultimate parent company, Newmark Security PLC, and their interests in the share capital of that company are shown in its financial statements. None of the other directors had any interest in the shares of the company.

Directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which 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 judgments and estimates that are reasonable and prudent,
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

SAFETELL SECURITY SCREENS LIMITED

Report of the directors for the year ended 30 April 2007 (*Continued*)

Directors' responsibilities (*Continued*)

The directors are responsible for keeping proper accounting record that 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 1985. 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.

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purpose of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO Stoy Hayward LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the next annual general meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the Board



B G Beecraft
Secretary

Date 19th July 2007

SAFETELL SECURITY SCREENS LIMITED

Report of the independent auditors

To the shareholders of Safetell Security Screens Limited

We have audited the financial statements of Safetell Security Screens Limited for the year ended 30 April 2007 which comprise the Profit & Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 1985 and whether the information given in the Directors Report is consistent with those financial statements. We also 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 of our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practising Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

SAFETELL SECURITY SCREENS LIMITED

Report of the independent auditors (*Continued*)

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 April 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements



BDO STOY HAYWARD LLP

Chartered Accountants

and Registered Auditors

Bromley

Date

20/7/07

SAFETELL SECURITY SCREENS LIMITED**Profit and loss account for the year ended 30 April 2007**

	Note	2007 £	2006 £
Turnover	2	89,852	80,724
Operating costs		(2,813)	(860)
Operating profit	3	87,039	79,864
Interest receivable		192	133
Profit on ordinary activities before taxation		87,231	79,997
Taxation on profit from ordinary activities	5	(12,974)	(16,084)
Profit for the year		74,257	63,913

All amounts relate to continuing activities

There were no other gains and losses other than those included in the profit and loss account

The notes on pages 7 to 11 form part of these financial statements

SAFETELL SECURITY SCREENS LIMITED

Balance sheet at 30 April 2007

	Note	2007 £	2007 £	2006 £	2006 £
Current assets					
Debtors	6	346,912		264,216	
Cash at bank and in hand		6,600		6,438	
		<u>353,512</u>		<u>270,654</u>	
Creditors: amounts falling due within one year	7	(76,649)		(68,048)	
Net current assets			276,863		202,606
Net assets			<u>276,863</u>		<u>202,606</u>
Capital and reserves					
Called up share capital	8		100		100
Share premium account	9		669,902		669,902
Profit and loss account	9		(393,139)		(467,396)
Equity shareholders' funds	10		<u>276,863</u>		<u>202,606</u>

The financial statements were approved by the Board and authorised for issue on 19 July 2007



P Lovell
Director



J W N Medlam
Director

The notes on pages 7 to 11 form part of these financial statements

SAFETELL SECURITY SCREENS LIMITED

Notes forming part of the financial statements for the year ended 30 April 2007

1 Accounting policies

The financial statements have been prepared under the historical cost convention, and are in accordance with applicable accounting standards

The following principal accounting policies have been applied

Turnover

Turnover represents license fees receivable

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are restated at the rate of exchange ruling at the balance sheet date

All exchange differences are taken to the profit and loss account

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences

Deferred tax balances are not discounted

SAFETELL SECURITY SCREENS LIMITED

Notes forming part of the financial statements for the year ended 30 April 2007 (Continued)

2 Turnover

Turnover is wholly attributable to the principal activity of the company and is analysed by market below

	2007	2006
	£	£
United Kingdom	7,235	7,097
Australia	82,617	73,627
	<hr/>	<hr/>
	89,852	80,724
	<hr/>	<hr/>

3 Operating profit

Auditors' remuneration for audit and other services was met by Safetell Limited, a fellow subsidiary company, for the years ending 30 April 2006 and 30 April 2007

4 Directors' emoluments

The directors of the company were also directors of a fellow subsidiary company, Safetell Limited. During the year P Lovell and J W N Medlam were remunerated by that company for their services to the group as a whole. Details of their remuneration are disclosed in the financial statements of that company.

SAFETELL SECURITY SCREENS LIMITED

Notes forming part of the financial statements for the year ended 30 April 2007 (Continued)

5 Taxation on profit from ordinary activities

	2007 £	2006 £
Taxation on profit on ordinary activities	17,658	16,084
Credit in respect of overprovision in prior year	(4,684)	-
	<u>12,974</u>	<u>16,084</u>

The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The differences are explained below

	2007 £	2006 £
Profit on ordinary activities before taxation	87,231	79,997
Profit on ordinary activities at the standard rate of corporation tax of 30 % (2006 – 30%)	<u>26,169</u>	<u>23,999</u>
Effects of		
Capital allowances for the period in excess of depreciation	(1,642)	(2,289)
Grossing up of foreign income	-	2,454
Small company relief	(2,520)	-
Utilisation of group relief	(17,400)	-
Payment for group relief	17,400	-
Double taxation relief	(4,349)	(8,080)
Overprovision in prior year	(4,684)	-
Current tax charge for year	<u>12,974</u>	<u>16,084</u>

	2007 Provided £	2007 Unprovided £	2006 Provided £	2006 Unprovided £
Accelerated capital allowances	-	10,400	-	8,758
Provision for the period	<u>-</u>	<u>10,400</u>	<u>-</u>	<u>8,758</u>

SAFETELL SECURITY SCREENS LIMITED

Notes forming part of the financial statements for the year ended 30 April 2007 (Continued)

6 Debtors

	2007 £	2006 £
Amounts owed by group undertakings	346,912	264,216

All amounts shown under debtors fall due for payment within one year

7 Creditors: amounts falling due within one year

Amounts owed to group undertakings	76,091	51,164
Corporation tax	258	16,084
Other creditors	300	800
	<u>76,649</u>	<u>68,048</u>

8 Share capital	Authorised		Allotted, called-up and fully paid	
	2007 £	2006 £	2007 £	2006 £
Ordinary shares of £1 each	100	100	100	100

SAFETELL SECURITY SCREENS LIMITED

Notes forming part of the financial statements for the year ended 30 April 2007 (Continued)

9 Statement of movement on reserves

	Share premium account £	Profit and loss account £
At 1 May 2006	669,902	(467,396)
Profit for the year	-	74,257
	<hr/>	<hr/>
At 30 April 2007	669,902	(393,139)
	<hr/>	<hr/>

10 Reconciliation of movements in shareholders' funds

	2007 £	2006 £
Opening shareholders' funds	202,606	138,693
Profit for the year	74,257	63,913
	<hr/>	<hr/>
Closing shareholders' funds	276,863	202,606
	<hr/>	<hr/>

11 Related party transactions

The company has taken advantage of the exemption conferred by Financial Reporting Standard No 8 "Related Party Transactions", not to disclose any transactions with entities that are included in the consolidated financial statements of Newmark Security PLC

12 Cash flow statement

The company has used the exemption under Financial Reporting Standard 1 "Cash Flow Statements", not to prepare a cash flow statement as it is consolidated in the financial statements of its ultimate parent company

13 Ultimate parent company

As at 30 April 2007, the directors regard Safetell International Limited as the immediate parent company. The ultimate parent company is Newmark Security PLC, a company registered in England and Wales. Copies of the parent company's consolidated financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ

14 Financial commitments

There is a fixed and floating charge over the assets of the company in favour of the holder of loan notes issued by the parent undertaking, Newmark Security PLC on 24 July 2005. The loan notes were repaid in the year. As at 30 April 2007 loan notes in the sum of £Nil were in issue (2006 - £1,500,000)