

Registered no. 2251935

**R & D SECURITY MANUFACTURING LIMITED**

**UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2005**

**ROWLAND HALL  
CHARTERED CERTIFIED ACCOUNTANTS  
44/54 ORSETT ROAD  
GRAYS, ESSEX  
RM17 5ED**



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COMPANIES HOUSE 17/11/2005

# **R & D SECURITY MANUFACTURING LIMITED**

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# **R & D SECURITY MANUFACTURING LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 28 FEBRUARY 2005**

The directors present their report and the financial statements of the company for the year ended 28 February 2005.

### **Directors' Responsibilities**

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 those financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records which 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 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.

### **Directors**

M. Topping  
Mrs. D. Topping

### **Secretary**

Mr. M Topping

### **Registered Office**

22a Station Lane  
Hornchurch  
Essex  
RM12 6NJ

### **Principal Activities**

The principal activities of the company throughout the year were that of supply, installation and maintenance of security equipment.

### **Directors**

The present directors are as shown above. All served on the board throughout the year.

The company's Articles of Association do not require directors to retire by rotation.

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

ON BEHALF OF THE BOARD



MR. M TOPPING - SECRETARY

Date: 15/11/05

# R & D SECURITY MANUFACTURING LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 28 FEBRUARY 2005

	Note	2005 £	2004 £
<b>TURNOVER</b>	2	1,512,353	1,720,512
Cost of sales		1,015,150	1,092,011
<b>GROSS PROFIT</b>		497,203	628,501
Net operating expenses	3	446,123	454,973
<b>OPERATING PROFIT</b>	4	51,080	173,528
Other interest receivable and similar income		848	-
Interest payable and similar charges		(1,093)	(392)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		50,835	173,136
Tax on profit on ordinary activities	5	15,463	45,463
<b>PROFIT FOR THE FINANCIAL YEAR</b>		35,372	127,673
Dividends	6	90,000	75,000
<b>RETAINED (LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		(54,628)	52,673
Retained profit brought forward		131,651	78,976
<b>RETAINED PROFIT CARRIED FORWARD</b>		77,023	131,649

The annexed notes form part of these financial statements.

# R & D SECURITY MANUFACTURING LIMITED

## BALANCE SHEET AT 28 FEBRUARY 2005

	Note	2005 £	2004 £
<b>FIXED ASSETS</b>			
Tangible assets	7	27,068	24,261
<b>CURRENT ASSETS</b>			
Stocks		33,000	386
Debtors	8	301,188	365,208
Cash at bank and in hand		91,083	45,251
		<u>425,271</u>	<u>410,845</u>
<b>CREDITORS</b>			
Amounts falling due within one year	9	370,316	298,457
<b>NET CURRENT ASSETS</b>		<u>54,955</u>	<u>112,388</u>
<b>NET ASSETS</b>		<u>82,023</u>	<u>136,649</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	5,000	5,000
Profit and loss account		77,023	131,649
<b>SHAREHOLDERS' FUNDS</b>		<u>82,023</u>	<u>136,649</u>

The directors are satisfied that the company was entitled to exemption under subsection (1) of section 249A of the Companies Act 1985 and that no member or members have requested an audit pursuant to subsection (2) of section 249B in relation to the accounts for the financial year.

The directors acknowledge their responsibilities for:

- i ensuring that the company keeps accounting records which comply with section 221; and
- ii preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the board on 15/11/05

ON BEHALF OF THE BOARD

MRS. D. TOPPING - DIRECTOR

The annexed notes form part of these financial statements.

# **R & D SECURITY MANUFACTURING LIMITED**

## **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 28 FEBRUARY 2005**

### **1. ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

#### **Basis of Preparation of Financial Statements**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The effects of events in relation to the year ended 28 February 2005 which occurred before the date of approval of the financial statements by the Board of Directors, have been included in the statements to the extent required to show a true and fair view of the state of affairs at 28 February 2005 and of the results for the year ended on that date.

#### **Depreciation**

Depreciation has been computed to write off the cost of tangible fixed assets over their expected useful lives using the following rates:

Leasehold property	- equal instalments over the period of the lease
Fixtures and fittings	- 20% per annum on reducing balance
Motor vehicles	- 25% per annum on reducing balance

#### **Stocks**

Stocks have been valued at the lower of cost and net realisable value.

#### **Deferred Taxation**

Deferred taxation is accounted for in accordance with the requirements of FRS19.

#### **Leasing**

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

#### **Pension Costs**

The company operates a pension scheme for the benefit of all its employees. The scheme is a defined contribution scheme, and the contributions are charged against profits as they are paid.

# R & D SECURITY MANUFACTURING LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 28 FEBRUARY 2005 (CONT)

### 2. TURNOVER

The company's turnover represents the value, excluding Value Added Tax, of goods and services supplied to customers during the year.

### 3. NET OPERATING EXPENSES

	2005 £	2004 £
Distribution costs	13,242	24,621
Administrative expenses	432,881	430,352
	<u>446,123</u>	<u>454,973</u>

### 4. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2005 £	2004 £
Directors' emoluments	18,240	25,840
Loss on sale of fixed assets	6,134	-
Depreciation and amortisation of owned assets	8,780	7,619
Auditors' remuneration	<u>-</u>	<u>4,500</u>

# R & D SECURITY MANUFACTURING LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 28 FEBRUARY 2005 (CONT)

### 5. TAXATION

Analysis of charge in period	2005 £	2004 £
Current tax:		
UK corporation tax on profits of the year	13,038	45,463
Adjustments in respect of prior periods	2,425	-
Total current tax	15,463	45,463
Tax on profit on ordinary activities	15,463	45,463

### Factors affecting tax charge for the period

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

	2005 £	2004 £
Profit on ordinary activities before tax	50,835	173,136
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (30%)	9,659	51,941
Effects of		
Permanent timing differences	3,668	11,114
Notional deferred tax	(289)	(2,511)
Marginal relief	-	(15,081)
Adjustments to charge in respect of previous periods	2,425	-
Current tax charge for year	15,463	45,463



# R & D SECURITY MANUFACTURING LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 28 FEBRUARY 2005 (CONT)

### 6. DIVIDENDS

	2005 £	2004 £
On ordinary shares		
Final dividend paid at 1,800 pence per share	90,000	75,000
	<u>          </u>	<u>          </u>

# R & D SECURITY MANUFACTURING LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 28 FEBRUARY 2005 (CONT)

### 7. TANGIBLE FIXED ASSETS

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 March 2004	8,620	17,612	72,810	99,042
Additions	-	-	17,720	17,720
Disposals	-	-	(33,470)	(33,470)
At 28 February 2005	<u>8,620</u>	<u>17,612</u>	<u>57,060</u>	<u>83,292</u>
<b>Depreciation</b>				
At 1 March 2004	7,959	10,667	56,154	74,780
Charge for the year	331	1,389	7,060	8,780
Elimination on disposals	-	-	(27,336)	(27,336)
At 28 February 2005	<u>8,290</u>	<u>12,056</u>	<u>35,878</u>	<u>56,224</u>
<b>Net book value</b>				
At 28 February 2005	<u>330</u>	<u>5,556</u>	<u>21,182</u>	<u>27,068</u>
At 29 February 2004	<u>660</u>	<u>6,946</u>	<u>16,655</u>	<u>24,261</u>

# R & D SECURITY MANUFACTURING LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 28 FEBRUARY 2005 (CONT)

### 8. DEBTORS

	2005 £	2004 £
Trade debtors	268,553	344,882
Other debtors	32,635	20,326
	<u>301,188</u>	<u>365,208</u>

### 9. CREDITORS - AMOUNTS DUE WITHIN ONE YEAR

	2005 £	2004 £
Bank loans and overdrafts	88,596	89,219
Trade creditors	169,237	115,337
Corporation tax payable	11,402	45,463
Social security and other taxes	34,400	33,077
Other creditors	66,681	15,361
	<u>370,316</u>	<u>298,457</u>

The bank overdraft is secured .

### 10. SHARE CAPITAL

	2005 £	2004 £
Authorised		
10,000 ordinary shares of £1 each	10,000	10,000
	<u>          </u>	<u>          </u>
Allotted, called up and fully paid		
5,000 ordinary shares of £1 each	5,000	5,000
	<u>          </u>	<u>          </u>

# R & D SECURITY MANUFACTURING LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 28 FEBRUARY 2005 (CONT)

### 11. LEASING COMMITMENTS

At 28 February 2005 the company had annual commitments under non-cancellable operating leases as detailed below:

	2005 £	2004 £
Operating leases which expire:		
Within one year	14,664	34,309
Within two to five years	51,037	25,847
	<u>65,701</u>	<u>60,157</u>

### 12. PENSION COSTS

The company operates a contributory pension scheme. It is a defined contribution scheme and contributions are charged in the profit and loss account as they accrue. The charge for the year was £- (2004 - £-).

### 13. RELATED PARTIES

The directors had overdrawn loan accounts at the 28th February 2005 as follows :-

Mr. M. and Mrs. D. Topping      £7,830 DR    (2004-£12,910 DR)

#### Management Charges

Management charges of £18,720 (2004-£18,420) were paid to R & D Holdings Limited during the year.

#### Year End Balances

At the year-end the company was owed £9,074 (2004-£5,519) by R & D Holdings Limited.

#### Directors Guarantees

Mr. M. Topping and Mr. R. LeCount have given personal guarantees to the company's bankers in respect of the company's overdraft facility.

### 14. CONTROLLING PARTY

The company is controlled by Mr M & Mrs D Topping by virtue of their shareholding in the company's parent company.

### 15. PARENT UNDERTAKINGS

The ultimate parent company is R & D Holdings Limited, a company registered in Great Britain.