

Silca Limited

Annual report and financial statements
for the year ended 30 June 2012

Registered number 02549786

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Silca Limited

Annual report and financial statements for the year ended 30 June 2012

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Silca Limited

Directors and advisers

Directors

S Zocca

B Malacarne

K Niederhauser

Company Secretary

J Wilcock

Independent Auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

First Point

Buckingham Gate

Gatwick

RH6 0PP

Solicitors

Irwin Mitchell Solicitors

2 Wellington Place

Leeds

LS1 4BZ

Registered office

29 Gloucester Place

London

W1U 8HX

Registered number

02549786

Silca Limited

Directors' report for the year ended 30 June 2012

The directors present their report and the audited financial statements of the company for the year ended 30 June 2012

Business review and principal activities

The principal activity of the company in the year under review was that of the distribution of key blanks and key duplicating machines. The company's profit for the financial year is £151,971 (2011 £216,299). The company has net assets of £907,623 (2011 £905,652). The directors made total dividend payments of £150,000 (2011 £400,000). No further dividend has been proposed for the year ended 30 June 2012.

Research and Development

The company does not perform any research and development.

Future outlook

The company will aim to improve on last year's figures by focusing on service level, communication to the market and the introduction of new products.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to competition from existing competitors in Europe and new competition from China.

Financial risk management

The company's operations expose it to a variety of financial risks that include credit risk, liquidity risk and foreign currency risk. Given the size of the company, the directors have not delegated the responsibility for monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department.

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made.

Liquidity risk

The company maintains appropriate finance that is designed to ensure the company has sufficient available funds for operations and planned expansions.

Foreign currency risk

Some sales took place in the year in Euros which would be subject to exchange rate fluctuations. However, this risk is considered minimal.

Donations

Charitable and political donations of £nil were made by the company during the year (2011 £nil).

Silca Limited

Directors' report for the year ended 30 June 2012 (continued)

Directors

The directors who held office during the year and up to the date of signing the financial statements are given below

K Niederhauser
S Zocca
B Malacarne

Statement of 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 prepared 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,
- state whether applicable UK 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

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 as to disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that so far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Silca Limited

Directors' report for the year ended 30 June 2012 (continued)

The directors' report has been prepared taking advantage of the small company's exemption in accordance with s415A of the Companies Act 2006

By order of the board



J Wilcock
Company Secretary

13 December 2012

Silca Limited

Independent auditors' report to the members of Silca Limited

We have audited the financial statements of Silca Limited for the year ended 30 June 2012 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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).

Respective responsibilities of directors and auditors

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 30 June 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.

Silca Limited

Independent auditors' report to the members of Silca Limited (continued)

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, or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' Report



Christopher Maidment (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Gatwick

13 December 2012

Silca Limited

Profit and loss account for the year ended 30 June 2012

	Notes	2012 £	2011 £
Turnover	2	2,734,502	2,945,637
Cost of sales		(2,176,463)	(2,319,311)
Gross profit		558,039	626,326
Distribution costs		(199,914)	(186,767)
Administrative expenses		(167,789)	(223,874)
Operating profit	3	190,336	215,685
Interest receivable and similar income	4	93	614
Profit on ordinary activities before taxation		190,429	216,299
Tax on profit on ordinary activities	8	(38,458)	-
Profit for the financial year	16	151,971	216,299

The above results relate entirely to continuing activities

The company has no recognised gains or losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented

There is no difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents

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Balance sheet as at 30 June 2012

	Notes	2012 £	2011 £
Fixed assets			
Tangible assets	9	9,415	20,644
Current assets			
Stocks	10	67,238	64,863
Debtors	11	934,436	1,093,416
Cash at bank and in hand		254,099	147,439
		1,255,773	1,305,718
Creditors amounts falling due within one year	12	(357,565)	(420,710)
Net current assets		898,208	885,008
Total assets less current liabilities		907,623	905,652
Net assets		907,623	905,652
Capital and reserves			
Called up share capital	14	411,050	411,050
Capital contribution	15	7,894	7,894
Profit and loss account	16	488,679	486,708
Total shareholders' funds	17	907,623	905,652

The financial statements on pages 7 to 17 were approved by the board of directors on 13 December 2012 and signed on its behalf by



K Niederhauser
Director

Silca Limited

Registered number 02549786

Silca Limited

Notes to the financial statements for the year ended 30 June 2012

1 Accounting policies

These financial statements have been prepared on the going concern basis, under the historical cost convention, in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies are set out below and have been applied consistently throughout the year.

Turnover

Turnover represents the total income receivable by the company (exclusive of value added tax) in respect of goods sold and services rendered.

Revenue from sales is recognised upon delivery to the customer, when there are no significant obligations remaining, and the collection of the resulting receivable is considered probable.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and other amounts from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the tax rate that is expected to apply in the years in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Fixed assets

Plant, Machinery and Equipment are stated at historic purchase cost less accumulated depreciation and are depreciated over a 4 year period.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

Revenues and expenses have been translated to sterling at the exchange rate ruling at the date of the transaction.

All exchange differences arising from the above are included in the profit and loss account.

Leases

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

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Pensions

The company operates a defined contribution pension scheme. The assets of the funded scheme are held independently of the company by Standard Life. The pension charge represents the amounts payable by the company to the fund in respect of the year.

Stock

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

Share based payments

Certain employees participate in the Kaba Holding AG Executive Stock Award Plan. Participants are allotted shares free of charge. The award corresponds to the closing price of the price of the Kaba Holding AG share at the SIX Swiss Exchange on the day prior to the award.

Cash flow statement

The company has taken advantage of the exemption in FRS 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a wholly owned subsidiary.

Related party transactions

The company has taken advantage of the exemption available under FRS 8 from disclosing transactions with 100% owned subsidiary undertakings.

2 Turnover

	2012	2011
	£	£
Sales by destination		
United Kingdom	2,376,831	2,527,478
Overseas	357,671	418,159
	2,734,502	2,945,637

3 Operating profit

Operating profit is stated after charging

	2012	2011
	£	£
Depreciation on Plant, Machinery and Equipment	11,229	12,850
Auditors' fees for audit services	11,826	14,750
Operating lease rentals		
- other than plant and machinery	22,805	44,751

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4 Interest receivable and similar income

	2012	2011
	£	£
Bank interest receivable	93	614

5 Directors' emoluments

The directors did not receive any emoluments in respect of their services to the company during the year (2011 £nil)

The emoluments of 3 directors (2011 3) are paid by the Kaba Group which makes no recharge to the company. These individuals are directors within the Kaba Group and it is not possible to make an accurate apportionment of their emoluments to the company. Accordingly, the above details include no emoluments in respect of these directors.

6 Employee information

The average monthly number of persons employed by the company during the year was

By activity	2012	2011
	Number	Number
Administration	3	3
Total	3	3

Employee costs incurred during the year were

	2012	2011
	£	£
Wages and salaries	137,132	137,323
Social security costs	15,909	15,937
Other pensions costs	6,336	4,357
Share based payments (Note 14)	5,914	5,613
Staff costs	165,291	163,230

Silca Limited

7 Dividends

Dividends on ordinary shares

	2012 £	2011 £
Paid – Interim 36p (2011 91p) per share	150,000	375,000
Paid – Final 0p (2011 6p) per share	-	25,000
	150,000	400,000

8 Tax on profit on ordinary activities

(a) Analysis of charge in year

	2012 £	2011 £
Current tax		
UK Corporation tax on profits of the year	38,458	-
Tax on profit of ordinary activities	38,458	-

(b) Factors affecting the tax charge for the year

The tax assessed for the year of £38,458 (2011 £nil) is lower than the standard rate of corporation tax in the UK of 25.5% (2011 27.5%). The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	190,429	216,299
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25.5% (2011 27.5%)	48,559	59,482
Effects of		
Expenses not deductible for tax purposes	157	-
Accelerated capital allowances and other short term timings differences	(1,368)	7,426
Group relief received at no charge	(8,890)	(66,908)
Current tax charge	38,458	-

The company has an unprovided deferred tax asset of £11,396 at 30 June 2012 (2011 £13,000). As a result of the change in the UK main corporation tax rate from 26% to 24% that was substantively

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enacted in March 2012 and that is effective from 1 April 2012, the relevant deferred tax balances have been re-measured

Further reductions to the UK corporation tax rate were announced in the March 2012 Budget. The changes, which are expected to be enacted separately each year, propose to reduce the rate by 1% per annum by 1 April 2014.

The changes had not been substantively enacted by the balance sheet date.

9 Tangible assets

	Plant, machinery & Equipment £
Cost	
At 1 July 2011 and 30 June 2012	59,826
Accumulated amortisation	
At 1 July 2011	39,182
Charge for the year	11,229
At 30 June 2012	50,411
Net book amount	
At 30 June 2012	9,415
At 30 June 2011	20,644

10 Stocks

	2012 £	2011 £
Finished goods held for resale	67,238	64,863

The cost of stock is not materially different from the replacement cost.

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11 Debtors

	2012	2011
	£	£
Trade debtors	915,509	1,066,308
Amounts owed by group undertakings	11,144	7,855
Prepayments and accrued income	7,783	19,253
	934,436	1,093,416

12 Creditors: amounts falling due within one year

	2012	2011
	£	£
Trade creditors	2,964	2,663
Amounts owed to group undertakings	109,664	289,386
Corporation tax	38,458	-
Other taxation and social security	141,333	57,552
Accruals and deferred income	65,146	71,109
	357,565	420,710

The amounts owed to group undertakings are unsecured and non interest bearing

13 Share based payments

Kaba Holding AG has a stock award plan in existence for the remuneration of certain employees. Under it, participants, determined each year by the Compensation Committee, are allotted shares free of charge. The award value corresponds to the closing price of the Kaba Holding AG share at the SIX Swiss Exchange on 14 August each year.

On 15 August 2011, 30 shares with an award value of CHF 277 each were allotted to 1 employee of the company, the value of which amounts to £5,914 (2011 £5,613).

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14 Called up share capital

	2012	2011
	£	£
Authorised		
1,000,000 (2011 1,000,000) ordinary shares of £1 each	1,000,000	1,000,000
Allotted, called up and fully paid		
411,050 (2011 411,050) ordinary shares of £1 each	411,050	411,050

15 Capital contribution

	2012	2011
	£	£
Capital contribution	7,894	7,894

16 Reserves

	Profit and loss account
	£
At 1 July 2011	486,708
Profit for the financial year	151,971
Dividends paid	(150,000)
At 30 June 2012	488,679

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17 Reconciliation of movement in shareholders' funds

	2012	2011
	£	£
Profit for the financial year	151,971	216,299
Dividends paid	(150,000)	(400,000)
Net increase/(reduction) to shareholders' funds	1,971	(183,701)
Opening shareholders' funds	905,652	1,089,353
Closing shareholders' funds	907,623	905,652

18 Related party disclosures

As the company is a 100% subsidiary of Kaba Holding (UK) Limited and the consolidated financial statements of the ultimate parent, Kaba Holding AG, are publicly available and contain the results of Silca Limited, the company is exempt from disclosing transactions with group undertakings as permitted by Financial Reporting Standard 8 related party transactions. There were no other related party undertakings in the current or prior year.

19 Pensions

The company operates a defined contribution scheme, held independently of the company. The pension charge for the year was £6,336 (2011: £4,357).

20 Financial commitments

At 30 June 2012 the company had annual commitments under non-cancellable operating leases expiring as follows:

	Land and buildings		Vehicles	
	2012	2011	2012	2011
	£	£	£	£
Within one year	-	-	2,450	-
Within two to five years	16,450	16,450	-	-
	16,450	16,450	2,450	-

Silca Limited

22 Ultimate parent company

The immediate parent undertaking is Kaba Holding (UK) Limited, a company incorporated in United Kingdom

The ultimate parent undertaking and controlling party is Kaba Holding AG, a company incorporated in Switzerland. Kaba Holding AG is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 30 June 2012. The consolidated financial statements of Kaba Holding AG can be obtained from its registered address at Hofwisenstrasse 24, 8153 Rumlang, Switzerland.