

**Silca Limited**

**Annual report and financial statements  
for the year ended 30 June 2013**

**Registered number 02549786**

**TUESDAY**



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# Silca Limited

## Annual report and financial statements for the year ended 30 June 2013

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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

The Portland Building

25 High Street

Crawley

RH10 1BG

### **Solicitors**

Irwin Mitchell Solicitors

2 Wellington Place

Leeds

LS1 4BZ

### **Registered office**

29 Gloucester Place

London

W1U 8HX

### **Registered number**

02549786

# Silca Limited

## Profit and loss account for the year ended 30 June 2013

	Notes	2013 £	2012 £
<b>Turnover</b>	2	<b>3,053,076</b>	2,734,502
Cost of sales		<b>(2,445,110)</b>	(2,176,463)
Gross profit		<b>607,966</b>	558,039
Distribution costs		<b>(199,668)</b>	(199,914)
Administrative expenses		<b>(169,463)</b>	(167,789)
<b>Operating profit</b>	3	<b>238,835</b>	190,336
Interest receivable and similar income	4	<b>90</b>	93
<b>Profit on ordinary activities before taxation</b>		<b>238,925</b>	190,429
Tax on profit on ordinary activities	8	<b>(54,716)</b>	(38,458)
<b>Profit for the financial year</b>	16	<b>184,209</b>	151,971

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

# Silca Limited

## Balance sheet as at 30 June 2013

	Notes	2013 £	2012 £
<b>Fixed assets</b>			
Tangible assets	9	<b>4,495</b>	9,415
<b>Current assets</b>			
Stocks	10	<b>62,996</b>	67,238
Debtors	11	<b>957,459</b>	934,436
Cash at bank and in hand		<b>360,655</b>	254,099
		<b>1,381,110</b>	1,255,773
<b>Creditors: amounts falling due within one year</b>	12	<b>(513,773)</b>	(357,565)
<b>Net current assets</b>		<b>867,337</b>	898,208
<b>Total assets less current liabilities</b>		<b>871,832</b>	907,623
<b>Net assets</b>		<b>871,832</b>	907,623
<b>Capital and reserves</b>			
Called up share capital	14	<b>411,050</b>	411,050
Capital contribution	15	<b>7,894</b>	7,894
Profit and loss account	16	<b>452,888</b>	488,679
<b>Total shareholders' funds</b>	17	<b>871,832</b>	907,623

The financial statements on pages 7 to 17 were approved by the board of directors on 19 February 2014 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 2013**

### **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.

# Silca Limited

## 1. Accounting Policies (Continued)

### 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; An analysis of turnover by geographical destination

	2013	2012
	£	£
<b>Sales by destination.</b>		
United Kingdom	2,669,033	2,376,831
Overseas	384,043	357,671
	<b>3,053,076</b>	<b>2,734,502</b>

## 3 Operating profit

Operating profit is stated after charging

	2013	2012
	£	£
Depreciation on Plant, Machinery and Equipment	4,920	11,229
Auditors' fees for audit services	12,595	11,826
Operating lease rentals		
- other than plant and machinery	23,288	22,805

# Silca Limited

## 4 Interest receivable and similar income

	2013 £	2012 £
Bank interest receivable	90	93

## 5 Directors' emoluments

The directors did not receive any emoluments in respect of their services to the company during the year (2012 £nil)

The emoluments of 3 directors (2012 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	2013 Number	2012 Number
Administration	3	3
<b>Total</b>	<b>3</b>	<b>3</b>

Employee costs incurred during the year were

	2013 £	2012 £
Wages and salaries	144,215	137,132
Social security costs	15,177	15,909
Other pensions costs	5,413	6,336
Share based payments (Note 13)	-	5,914
<b>Staff costs</b>	<b>164,805</b>	<b>165,291</b>



# **Silca Limited**

## **Directors' report for the year ended 30 June 2013**

The directors present their report and the audited financial statements of the company for the year ended 30 June 2013

### **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 £184,209 (2012 £151,971). The company has net assets of £871,832 (2012 £907,623). The directors made total dividend payments of £220,000 (2012 £150,000). No further dividend has been proposed for the year ended 30 June 2013.

### **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. This risk is being managed by a combination of competitive pricing, better quality products and new innovative products being brought to the market through a planned and systematic approach.

### **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 by the directors.

### **Donations**

Charitable and political donations of £nil were made by the company during the year (2012 £nil).

# Silca Limited

## Directors' report for the year ended 30 June 2013 (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, and
- 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

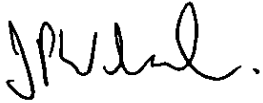
Each of the persons who is a director at the date of approval of this report confirms that so far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all steps 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 2013 (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**

19 February 2014

Registered number 02549786

# **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 2013 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 Statement of Directors' Responsibilities set out on page 3 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 Annual Report and financial statements 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 2013 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 prepare the financial statements in accordance with the small company regime and take advantage of the small companies' exemption in preparing the Directors' Report



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

19 February 2014

# Silca Limited

## 7 Dividends

### Dividends on ordinary shares

	2013 £	2012 £
Paid – Interim 53 5p (2012 36 5p) per share	220,000	150,000
	220,000	150,000

## 8 Tax on profit on ordinary activities

### (a) Analysis of charge in year

	2013 £	2012 £
<b>Current tax</b>		
UK Corporation tax on profits of the year	54,716	38,458
Tax on profit of ordinary activities	54,716	38,458

### (b) Factors affecting the tax charge for the year

The tax assessed for the year of £54,716 (2012 £38,458) is lower (2012 lower) than the standard rate of corporation tax in the UK of 23 75% (2012 25 5%) The differences are explained below

	2013 £	2012 £
<b>Profit on ordinary activities before tax</b>	<b>238,925</b>	<b>190,429</b>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23 75% (2012 25 5%)	56,745	48,559
Effects of		
Expenses not deductible for tax purposes	128	157
Accelerated capital allowances and other short term timings differences	(936)	(1,368)
Group relief received at no charge	(1,221)	(8,890)
Current tax charge	54,716	38,458

The company has an unprovided deferred tax asset of £10,015 at 30 June 2013 (2012 £11,396) As a result of the change in the UK main corporation tax rate from 24% to 23% that was substantively enacted in July 2012 and that is effective from 1 April 2013, the relevant deferred tax balances have been re-measured

# Silca Limited

Further reductions to the UK corporation tax rate were announced in the March 2013 Budget. The changes, which are expected to be enacted separately each year, propose to reduce the rate to 20% by 1 April 2015.

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

## 9 Tangible assets

	Plant, machinery & Equipment £
<b>Cost</b>	
At 1 July 2012 and 30 June 2013	59,826
<b>Accumulated amortisation</b>	
At 1 July 2012	50,411
Charge for the year	4,920
<b>At 30 June 2013</b>	<b>55,331</b>
<b>Net book amount</b>	
<b>At 30 June 2013</b>	<b>4,495</b>
At 30 June 2012	9,415

## 10 Stocks

	2013 £	2012 £
Finished goods held for resale	62,996	67,238

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

# Silca Limited

## 11 Debtors

	2013 £	2012 £
Trade debtors	945,565	915,509
Amounts owed by group undertakings	4,003	11,144
Prepayments and accrued income	7,891	7,783
	957,459	934,436

## 12 Creditors: amounts falling due within one year

	2013 £	2012 £
Trade creditors	6,816	2,964
Amounts owed to group undertakings	249,481	109,664
Corporation tax	23,601	38,458
Other taxation and social security	174,281	141,333
Accruals and deferred income	59,594	65,146
	513,773	357,565

The amounts owed to group undertakings are repayable on demand, unsecured and non interest bearing

## 13 Share based payments

Kaba Holding AG had a stock award plan in existence for the remuneration of certain employees. Under it, participants, determined each year by the Compensation Committee, were allotted shares free of charge. The award value corresponded 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 amounted to £5,914. There were no such transactions during this financial year.



# Silca Limited

## 14 Called up share capital

	2013 £	2012 £
<b>Authorised</b>		
1,000,000 (2012 1,000,000 ) ordinary shares of £1 each	<b>1,000,000</b>	1,000,000
<b>Allotted, called up and fully paid</b>		
411,050 (2012 411,050 ) ordinary shares of £1 each	<b>411,050</b>	411,050

## 15 Capital contribution

	2013 £	2012 £
Capital contribution	<b>7,894</b>	7,894

## 16 Reserves

	Profit and loss account £
At 1 July 2012	488,679
Profit for the financial year	<b>184,209</b>
Dividends paid	<b>(220,000)</b>
<b>At 30 June 2013</b>	<b>452,888</b>

# Silca Limited

## 17 Reconciliation of movement in shareholders' funds

	2013 £	2012 £
Profit for the financial year	184,209	151,971
Dividends paid	(220,000)	(150,000)
Net (decrease) / increase to shareholders' funds	(35,791)	1,971
Opening shareholders' funds	907,623	905,652
Closing shareholders' funds	871,832	907,623

## 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 £5,413 (2012: £6,336).

## 20 Financial commitments

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

	Land and buildings		Vehicles	
	2013 £	2012 £	2013 £	2012 £
Within one year	-	-	-	2,450
Within two to five years	16,450	16,450	5,109	-
	16,450	16,450	5,109	2,450

## 21 Ultimate parent company

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

## **Silca Limited**

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 2013. The consolidated financial statements of Kaba Holding AG can be obtained from its registered address at Hofwisenstrasse 24, 8153 Rumlang, Switzerland.