

Silca Limited

**Annual report and financial statements
for the year ended 30 June 2014**

Registered number 02549786

TUESDAY



L44DB0WP

L10

31/03/2015

#196

COMPANIES HOUSE

Silca Limited

Annual report and financial statements

for the year ended 30 June 2014

Contents

Directors and advisers.....	1
Directors' report for the year ended 30 June 2014.....	2
Independent auditors' report to the members of Silca Limited.....	5
Profit and loss account for the year ended 30 June 2014.....	7
Balance sheet as at 30 June 2014.....	8
Notes to the financial statements for the year ended 30 June 2014.....	9

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

Directors' report for the year ended 30 June 2014

The directors present their report and the audited financial statements of the company for the year ended 30 June 2014.

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 £255,148 (2013: £184,209). The company has net assets of £876,980 (2013: £871,832). The directors made total dividend payments of £250,000 (2013: £220,000). No further dividend has been proposed for the year ended 30 June 2014.

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 (2013: £nil).

Silca Limited

Directors' report for the year ended 30 June 2014 (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

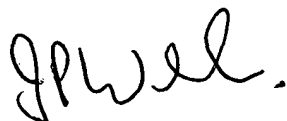
Each of the persons who is a director at the date of approval of this report confirms that so far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all steps 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 2014 (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

A handwritten signature in black ink, appearing to read 'J Wilcock', with a stylized flourish at the end.

J Wilcock
Company Secretary

27 March 2015

Registered number: 02549786

Silca Limited

Independent auditors' report to the members of Silca Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 30 June 2014 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Silca Limited, comprise:

- the balance sheet as at 30 June 2014;
- the profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

Silca Limited

- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

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 ISAs (UK & 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.



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

27 March 2015

Silca Limited

Profit and loss account for the year ended 30 June 2014

	Notes	2014 £	2013 £
Turnover	2	3,241,551	3,053,076
Cost of sales		(2,531,519)	(2,445,110)
Gross profit		710,032	607,966
Distribution costs		(214,299)	(199,668)
Administrative expenses		(169,570)	(169,463)
Operating profit	3	326,163	238,835
Interest receivable and similar income	4	79	90
Profit on ordinary activities before taxation		326,242	238,925
Tax on profit on ordinary activities	8	(71,094)	(54,716)
Profit for the financial year	16	255,148	184,209

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 years stated above and their historical cost equivalents.

Silca Limited

Balance sheet as at 30 June 2014

	Notes	2014 £	2013 £
Fixed assets			
Tangible assets	9	-	4,495
Current assets			
Stocks	10	61,915	62,996
Debtors	11	1,132,975	957,459
Cash at bank and in hand		254,351	360,655
		1,449,241	1,381,110
Creditors: amounts falling due within one year	12	(572,261)	(513,773)
Net current assets		876,980	867,337
Total assets less current liabilities		876,980	871,832
Net assets		876,980	871,832
Capital and reserves			
Called up share capital	14	411,050	411,050
Capital contribution	15	7,894	7,894
Profit and loss account	16	458,036	452,888
Total shareholders' funds	17	876,980	871,832

The financial statements on pages 7 to 17 were approved by the board of directors on 27 March 2015 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 2014

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 are 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

Notes to the financial statements for the year ended 30 June 2014

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 companies 100% owned within the Kaba Holding AG Group.

2 Turnover; An analysis of turnover by geographical destination

	2014	2013
	£	£
Sales by destination:		
United Kingdom	2,829,341	2,669,033
Overseas	412,210	384,043
	3,241,551	3,053,076

3 Operating profit

Operating profit is stated after charging:

	2014	2013
	£	£
Depreciation on Tangible Fixed Assets	4,495	4,920
Services provided by the company's auditor:		
- Fees payable for the audit	12,975	12,595
Operating lease charges:		
- Other	24,143	23,288

Silca Limited

Notes to the financial statements for the year ended 30 June 2014

4 Interest receivable and similar income

	2014	2013
	£	£
Bank interest receivable	79	90

5 Directors' emoluments

The directors did not receive any emoluments in respect of their services to the company during the year (2013 £nil).

The emoluments of 3 directors (2013: 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	2014	2013
	Number	Number
Administration	3	3
Total	3	3

Employee costs incurred during the year were:

	2014	2013
	£	£
Wages and salaries	143,787	144,215
Social security costs	16,166	15,177
Other pensions costs	6,955	5,413
Share based payments (Note 13)	-	-
Staff costs	166,908	164,805

Silca Limited

Notes to the financial statements for the year ended 30 June 2014

7 Dividends

Dividends on ordinary shares

	2014 £	2013 £
Paid – Interim 60.8p (2013: 53.5p) per share	250,000	220,000
	250,000	220,000

8 Tax on profit on ordinary activities

(a) Analysis of charge in year

	2014 £	2013 £
Current tax		
UK Corporation tax on profits of the year	71,094	54,716
Tax on profit of ordinary activities	71,094	54,716

(b) Factors affecting the tax charge for the year

The tax assessed for the year of £71,094 (2013: £54,716) is lower (2013: lower) than the standard rate of corporation tax in the UK of 22.5% (2013: 23.75%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	326,242	238,925
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 22.5% (2013: 23.75%)	73,404	56,745
Effects of:		
Expenses not deductible for tax purposes	140	128
Accelerated capital allowances and other short term timings differences	(2,450)	(936)
Group relief received at no charge	-	(1,221)
Current tax charge	71,094	54,716

The company has an unprovided deferred tax asset of £6,531 at 30 June 2014 (2013: £10,015). As a result of the change in the standard rate of corporation tax in the UK from 23% to 21% with effect from 1 April 2014, the relevant deferred tax balances have been re-measured.

Silca Limited

Notes to the financial statements for the year ended 30 June 2014

There are further changes to the UK corporation tax rate planned with the reduction to 20% effective from 1 April 2015.

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

9 Tangible assets

	Plant, Machinery & Equipment £
Cost	
At 1 July 2013 and 30 June 2014	59,826
Accumulated amortisation	
At 1 July 2013	55,331
Charge for the year	4,495
At 30 June 2014	59,826
Net book amount	
At 30 June 2014	-
At 30 June 2013	4,495

10 Stocks

	2014 £	2013 £
Finished goods held for resale	61,915	62,996

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

Silca Limited

Notes to the financial statements for the year ended 30 June 2014

11 Debtors

	2014	2013
	£	£
Trade debtors	1,127,345	945,565
Amounts owed by group undertakings	436	4,003
Prepayments and accrued income	5,194	7,891
	1,132,975	957,459

12 Creditors: amounts falling due within one year

	2014	2013
	£	£
Trade creditors	1,391	6,816
Amounts owed to group undertakings	302,778	249,481
Corporation tax	34,168	23,601
Other taxation and social security	201,967	174,281
Accruals and deferred income	31,957	59,594
	572,261	513,773

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 or the previous financial year.

Silca Limited

Notes to the financial statements for the year ended 30 June 2014

14 Called up share capital

	2014 £	2013 £
Authorised		
1,000,000 (2013: 1,000,000) ordinary shares of £1 each	1,000,000	1,000,000
Allotted, called up and fully paid		
411,050 (2013: 411,050) ordinary shares of £1 each	411,050	411,050

15 Capital contribution

	2014 £	2013 £
Capital contribution	7,894	7,894

16 Reserves

	Profit and loss account £
At 1 July 2013	452,888
Profit for the financial year	255,148
Dividends paid	(250,000)
At 30 June 2014	458,036

Silca Limited

Notes to the financial statements for the year ended 30 June 2014

17 Reconciliation of movement in shareholders' funds

	2014 £	2013 £
Profit for the financial year	255,148	184,209
Dividends paid	(250,000)	(220,000)
Net Increase/(decrease) to shareholders' funds	5,148	(35,791)
Opening shareholders' funds	871,832	907,623
Closing shareholders' funds	876,980	871,832

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 transactions 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 £6,955 (2013: £5,413).

20 Financial commitments

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

	Land and buildings		Vehicles	
	2014 £	2013 £	2014 £	2013 £
Within one year	-	-	-	-
Within two to five years	16,450	16,450	5,109	5,109
	16,450	16,450	5,109	5,109

Silca Limited

Notes to the financial statements for the year ended 30 June 2014

21 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 2014. The consolidated financial statements of Kaba Holding AG can be obtained from its registered address at Hofwisenstrasse 24, 8153 Rumlang, Switzerland.