

Company Registration No. 05541359 (England and Wales)

**SAFE COMPUTING HOLDINGS LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2015**

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SAFE COMPUTING HOLDINGS LIMITED

COMPANY INFORMATION

Directors	A W Scott P E Presland J G Griffiths J G C Brooks P E Rule
Secretary	M C James
Company number	05541359
Registered office	20 Freeschool Lane Leicester Leicestershire LE1 4FY
Auditors	RSM UK Audit LLP Chartered Accountants Rivermead House 7 Lewis Court Grove Park Enderby Leicestershire LE19 1SD

SAFE COMPUTING HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present the strategic report and financial statements for the year ended 31 December 2015.

Fair review of the business

The company has continued to perform well during the year as an investment company.

At 31 December 2015 the company had total equity of in excess of £2.3m (2014: £3.0m) including distributable reserves of £2.3m (2013: £2.7m) following the payment of a dividend of £1,000,454 to its new parent company SCH 2014 Limited during the year.

Principal risks and uncertainties

The company's principal financial instruments comprise bank loans, loans from related group companies and cash. The main purpose of these financial instruments is to raise finance for the company's operations. The company does not enter into derivative transactions.

The board reviews and agrees policies for managing each of the risks as summarised below.

Interest rate risk

The company's exposure to market risk for changes in interest rates primarily relates to the company's short-term and long-term debt obligations. The company's exposure to interest rate fluctuations on its borrowings is managed by the use of both fixed and floating facilities.

Liquidity risk

The company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and a bank overdraft.

On behalf of the board



.....
A W Scott

Director

22.6.16
.....

SAFE COMPUTING HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their annual report and financial statements for the year ended 31 December 2015.

Principal activities

The principal activity of the company continued to be that of an investment holding company.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

A W Scott
P E Presland
J G Griffiths
J G C Brooks
P E Rule

Results and dividends

The results for the year are set out on page 5.

Ordinary dividends were paid amounting to £1,000,454. The directors do not recommend payment of a final dividend.

Future developments

This information is now shown within the Directors' report as it is instead included within the Strategic report on page 1 under s. 414C(11).

Auditor

RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report.

Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



.....
A W Scott

Director

.....
22.6.16

SAFE COMPUTING HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors are responsible for preparing the Strategic Report, 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 elected to prepare 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;
- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAFE COMPUTING HOLDINGS LIMITED

We have audited the financial statements on pages 5 to 19. 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), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

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 31 December 2015 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.

RSM UK Audit LLP

Gareth Jones (Senior Statutory Auditor)
for and on behalf of RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP), Statutory Auditor
Chartered Accountants
Rivermead House
7 Lewis Court
Grove Park
Enderby
Leicestershire
LE19 1SD
24/6/16

SAFE COMPUTING HOLDINGS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 £
Administrative expenses		(53,488)	(262,871)
Interest receivable and similar income	6	430,000	915,153
Interest payable and similar charges	7	(2,128)	(24,911)
Profit on ordinary activities before taxation		374,384	627,371
Taxation	8	-	-
Profit for the financial year	18	374,384	627,371
Total comprehensive income for the year		374,384	627,371

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

SAFE COMPUTING HOLDINGS LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2015**

	Notes	2015		2014	
		£	£	£	£
Fixed assets					
Tangible assets	10		-		325,000
Investments	11		8,892,355		8,892,355
			<u>8,892,355</u>		<u>9,217,355</u>
Current assets					
Debtors falling due after one year	13	108,331		199,999	
Debtors falling due within one year	13	350,001		156,004	
Cash at bank and in hand		145,777		66,290	
		<u>604,109</u>		<u>422,293</u>	
Creditors: amounts falling due within one year	14	(7,041,778)		(6,534,892)	
Net current liabilities			<u>(6,437,669)</u>		<u>(6,112,599)</u>
Total assets less current liabilities			<u>2,454,686</u>		<u>3,104,756</u>
Creditors: amounts falling due after more than one year	15		(96,000)		(120,000)
Net assets			<u>2,358,686</u>		<u>2,984,756</u>
Capital and reserves					
Called up share capital	17		1,059		1,059
Share premium account			49,995		49,995
Other reserves			33,500		225,726
Profit and loss reserves	18		2,274,132		2,707,976
Total equity			<u>2,358,686</u>		<u>2,984,756</u>

The financial statements were approved by the board of directors and authorised for issue on 22.6.16 and are signed on its behalf by:



A W Scott
Director

SAFE COMPUTING HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	Share capital £	Share premium account £	Other reserves £	Profit and loss reserves £	Total £
Balance at 1 January 2014		1,054	-	209,023	2,080,605	2,290,682
Period ended 31 December 2014:						
Profit and total comprehensive income for the year		-	-	-	627,371	627,371
Issue of share capital		5	49,995	-	-	50,000
Share based payment		-	-	16,703	-	16,703
Balance at 31 December 2014		1,059	49,995	225,726	2,707,976	2,984,756
Period ended 31 December 2015:						
Profit and total comprehensive income for the year		-	-	-	374,384	374,384
Dividends	9	-	-	-	(1,000,454)	(1,000,454)
Other		-	-	(192,226)	192,226	-
Balance at 31 December 2015		1,059	49,995	33,500	2,274,132	2,358,686

SAFE COMPUTING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

Company information

Safe Computing Holdings Limited (company registration No. 05541359) is a limited company domiciled and incorporated in England and Wales. The registered office and principal place of business is 20 Freeschool Lane, Leicester, Leicestershire, LE1 4FY.

The company's principal activities are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

These financial statements are the first financial statements of Safe Computing Holdings Limited prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The financial statements of Safe Computing Holdings Limited for the year ended 31 December 2014 were prepared in accordance with previous UK GAAP.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

Reduced disclosures

In accordance with FRS 102, the company has taken advantage of the exemptions from the following disclosure requirements;

- Section 7 'Statement of Cash Flows' - Presentation of a Statement of Cash Flow and related notes and disclosures.
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' - Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.
- Section 26 'Share-based Payment' - Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanations of modifications to arrangements.
- Section 33 'Related Party Disclosures' - Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of SCH 2014 Limited. The consolidated financial statements of SCH 2014 Limited are available from its registered office, 20 Freeschool Lane, Leicester, Leicestershire, LE1 4FY.

Consolidated financial statements

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

SAFE COMPUTING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies (Continued)

Going concern

The accounts have been prepared on a going concern basis. Having carried out a detailed review of the company's resources and the challenges presented by the current economic climate, the directors are satisfied that the company has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the accounts.

Other income

Dividend income from investment in subsidiaries is recognised when the Company's right to receive payment is established.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets other than freehold land less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% per annum
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Residual value is calculated on prices prevailing at the reporting date, after estimated cost of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

SAFE COMPUTING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies (Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include amounts owed from group undertakings and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including trade investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

SAFE COMPUTING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies (Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including other payables, bank loans, loans from fellow group companies and other borrowings, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

SAFE COMPUTING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies (Continued)

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax

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.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which 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 a non-discounted basis.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Depreciation

The assessment of the useful economic lives and the method of depreciating fixed assets requires judgment. Depreciation is charged to the income statement based on the useful economic life selected, which requires an estimation of the period and profile over which the Company expects to consume the future economic benefits embodied in the assets.

SAFE COMPUTING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

3 Operating loss

The audit fee for the company is £1,250 (2014: £1,500) and is borne by another group company.

4 Employees

There were no employees during the year apart from the directors.

5 Directors' remuneration

The directors received remuneration for services to this company through other companies included within the group.

6 Interest receivable and similar income

	2015	2014
	£	£
Income from fixed asset investments		
Income from shares in group undertakings	430,000	915,153
	<u>430,000</u>	<u>915,153</u>

7 Interest payable and similar charges

	2015	2014
	£	£
Interest on bank overdrafts and loans	2,128	7,550
Interest on other loans	-	17,361
	<u>2,128</u>	<u>24,911</u>

SAFE COMPUTING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

8 Taxation

The company had no tax charge for the current or prior year due to the only income being group related.

The charge for the year can be reconciled to the profit per the income statement as follows:

	2015 £	2014 £
Profit before taxation	374,384	627,371
Expected tax charge based on the standard rate of corporation tax in the UK of 20.25% (2014: 21.49%)	75,813	134,822
Tax effect of expenses that are not deductible in determining taxable profit	10,558	35,624
Group relief	703	26,229
Other permanent differences	2	-
Income from group undertakings	(87,076)	(196,675)
Tax expense for the year	-	-

Factors affecting future charges

Reductions in the UK corporation tax rate were substantively enacted in the year. The main rate of corporation tax was reduced from 20 per cent to 19 per cent effective from 1 April 2017 and to 18 per cent from 1 April 2020. A further reduction in the corporation tax rate to 17 per cent, rather than 18 per cent, from 1 April 2020 was announced in the 2016 Budget. However, this further rate change was not substantively enacted at the balance sheet date, so its effect is not reflected in these financial statements.

9 Dividends

	2015 £	2014 £
Final paid	1,000,454	-

SAFE COMPUTING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

10 Tangible fixed assets

	Freehold land and buildings
	£
Cost	
At 1 January 2015	453,657
Disposals	(453,657)
Other changes	-
	<hr/>
At 31 December 2015	-
	<hr/>
Depreciation and impairment	
At 1 January 2015	128,657
Eliminated in respect of disposals	(128,657)
	<hr/>
At 31 December 2015	-
	<hr/>
Carrying amount	
At 31 December 2015	-
	<hr/> <hr/>
At 31 December 2014	325,000
	<hr/> <hr/>

11 Fixed asset investments

	Notes	2015 £	2014 £
Investments in subsidiaries	12	8,892,355	8,892,355
		<hr/> <hr/>	<hr/> <hr/>

Included within the carrying value of £8,892,355 (2014: £8,892,355) is £189,715 (2014: £189,715) relating to non interest bearing capital contributions to certain subsidiary undertakings in connection with share based payments.

Movements in fixed asset investments

	Shares £
Cost or valuation	
At 1 January 2015 & 31 December 2015	8,892,355
	<hr/>
Carrying amount	
At 31 December 2015	8,892,355
	<hr/> <hr/>
At 31 December 2014	8,892,355
	<hr/> <hr/>

SAFE COMPUTING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

12 Subsidiaries

These financial statements are separate company financial statements for Safe Computing Holdings Limited.

Details of the company's subsidiaries at 31 December 2015 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held	
			Direct	Indirect
Safe Computing Limited	England & Wales	Supply of software services, packages and computer systems	100.00	
Topaz Computer Systems Limited	England & Wales	Dormant	100.00	
AHL Management Limited	England & Wales	Supply of payroll software services	100.00	
Intersoftware Recruitment Services Limited	England & Wales	Supply of software services, packages and computer systems	70.00	
Safe Outsourcing Limited	England & Wales	Dormant	100.00	
Safe Computing (Manufacturing Systems) Limited	England & Wales	Dormant		100.00
Safe Emcom Services Limited	England & Wales	The production, sale and maintenance of computer software		100.00
Topaz Support and Maintenance Limited	England & Wales	Dormant		100.00
Saber Analytics Limited	England & Wales	Dormant	100.00	

Topaz Support and Maintenance Limited is owned directly by Topaz Computer Systems Limited.

Safe Computing (Manufacturing Systems) Limited and Safe Emcom Services Limited are both owned directly by Safe Computing Limited.

SAFE COMPUTING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

13 Debtors

	2015	2014
	£	£
Amounts falling due within one year:		
Amounts due from fellow group undertakings	250,000	-
Other debtors	100,001	156,004
	<u>350,001</u>	<u>156,004</u>
Amounts falling due after one year:		
Other debtors	108,331	199,999
	<u>108,331</u>	<u>199,999</u>
Total debtors	<u>458,332</u>	<u>356,003</u>

14 Creditors: amounts falling due within one year

	Notes	2015	2014
		£	£
Bank loans and overdrafts	16	24,000	24,000
Other borrowings	16	-	180,000
Amounts due to group undertakings		6,979,799	6,281,091
Accruals and deferred income		37,979	49,801
		<u>7,041,778</u>	<u>6,534,892</u>

15 Creditors: amounts falling due after more than one year

	Notes	2015	2014
		£	£
Bank loans and overdrafts	16	96,000	120,000
		<u>96,000</u>	<u>120,000</u>
Amounts included above which fall due after five years are as follows:			
Payable by instalments		-	24,000
		<u>-</u>	<u>24,000</u>

SAFE COMPUTING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

16 Borrowings

	2015 £	2014 £
Bank loans	120,000	144,000
Other loans	-	180,000
	<u>120,000</u>	<u>324,000</u>
Payable within one year	24,000	204,000
Payable after one year	96,000	120,000
	<u>96,000</u>	<u>120,000</u>

The bank loan is secured by a fixed and floating charge over the assets of the company, and a cross guarantee between certain group undertakings. This loan is subject to interest at 1% above LIBOR and is repayable in equal quarterly instalments of £6,000 by December 2020.

17 Share capital

	2015 £	2014 £
Ordinary share capital		
Issued and fully paid		
10,131 Ordinary shares of 10p each	1,013	1,013
463 Ordinary A shares of 10p each	46	46
	<u>1,059</u>	<u>1,059</u>

The company's ordinary shares and ordinary A shares carry no rights to extra income, each carry the right to one vote at a general meeting and are not redeemable.

The ordinary A shares do not have any entitlement to surplus on capital distribution, whereas the ordinary shares do have a right to surplus on capital distribution.

18 Reserves

Share premium

Consideration received for shares issued above their nominal value net of transaction costs.

Other reserves

The other reserves relate to share based payment reserve, which relates to a non interest bearing capital contribution. During the year, £192,226 was released to the profit and loss reserve as these options had lapsed.

Profit and loss reserves

Cumulative profit and loss net of distribution to owners.

SAFE COMPUTING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

19 Related party transactions

Transactions with related parties

At the year end Safe Emcom Services Limited owed the company £250,000 (2014: £nil). Safe Emcom Services Limited is a 90% subsidiary undertaking of Safe Computing Limited, an 100% subsidiary undertaking of Safe Computing Holdings Limited.

During the year the company also received dividends from Intersoftware Recruitment Solutions Limited of £180,000. At the year end, Intersoftware Recruitment Services Limited owed the company £180,000 (2014: £6,001). Intersoftware Recruitment Solutions Limited is a 70% subsidiary of Safe Computing Holdings Limited.

The company has taken advantage of the exemption in FRS 102 Section 33 not to disclose transactions and balances with entities where 100% of the voting rights are controlled within the group.

20 Controlling party

The immediate and ultimate controlling party is SCH 2014 Limited, registered in England and Wales.

The ultimate controlling party is A W Scott by virtue of his interests in the issued equity share capital of SCH 2014 Limited.

The largest and smallest group in which the results of this company are consolidated is that headed by SCH 2014 Limited. Copies of these financial statements are available from the registered office being 20 Freeschool Lane, Leicester, Leicestershire, LE1 4FY.