

Registered number: 06016522

**Lock Inspection Holdings Limited**

**Annual Report  
and Financial Statements**

**For the year ended 31 December 2013**



**CLB**  
**coopers**  
Chartered Accountants  
Delivering solutions through excellence

## **LOCK INSPECTION HOLDINGS LIMITED**

### **Company Information**

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<b>Directors</b>	G Hudson E Ufland P Deakin
<b>Company secretary</b>	S & J Registrars Limited
<b>Registered number</b>	06016522
<b>Registered office</b>	99 Gresham Street Fifth Floor London EC2V 7NG
<b>Independent auditor</b>	CLB Coopers Ship Canal House 98 King Street Manchester M2 4WU

# **LOCK INSPECTION HOLDINGS LIMITED**

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# **LOCK INSPECTION HOLDINGS LIMITED**

## **Directors' report For the year ended 31 December 2013**

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The directors present their report and the financial statements for the year ended 31 December 2013.

### **Directors' responsibilities statement**

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 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 judgments 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.

### **Principal activities**

The principal activity of the company is the management of subsidiary companies, engaged in the manufacture and sale of metal detectors and checkweighing equipment.

Due to the limited scope of the company's activities, the preparation of a strategic report has not been deemed appropriate.

### **Results**

The loss for the year, after taxation, amounted to £2,000 (2012: profit £84,000).

### **Directors**

The directors who served during the year were:

G Hudson  
E Ufland  
O Barreto-Morley (resigned 31 March 2013)  
P Deakin

# **LOCK INSPECTION HOLDINGS LIMITED**

## **Directors' report For the year ended 31 December 2013**

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### **Disclosure of information to auditor**

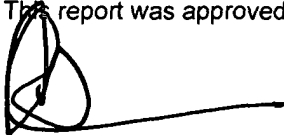
Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### **Auditor**

The auditor, CLB Coopers, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The report was approved by the board and signed on its behalf.

A handwritten signature in black ink, appearing to be 'G Hudson', with a long horizontal line extending to the right.

**G Hudson**  
Director

Date: 19 June 2014

# **LOCK INSPECTION HOLDINGS LIMITED**

## **Independent auditor's report to the shareholder of Lock Inspection Holdings Limited**

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We have audited the financial statements of Lock Inspection Holdings Limited for the year ended 31 December 2013, set out on pages 5 to 11. 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).

This report is made solely to the company's shareholder 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 shareholder 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 shareholder for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

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.

### **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 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 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 2013 and of its loss 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.

## LOCK INSPECTION HOLDINGS LIMITED

### Independent auditor's report to the shareholder of Lock Inspection Holdings Limited

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#### 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.



David Clift (senior statutory auditor)

for and on behalf of  
**CLB Coopers**

Statutory Auditors and Chartered Accountants

Ship Canal House  
98 King Street  
Manchester  
M2 4WU

19 June 2014

## LOCK INSPECTION HOLDINGS LIMITED

### Profit and loss account For the year ended 31 December 2013

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	Note	2013 £000	2012 £000
Administrative expenses		-	(25)
<b>Operating profit/(loss)</b>	2	-	(25)
Interest receivable and similar income	4	-	332
Interest payable and similar charges	5	-	(171)
<b>Profit on ordinary activities before taxation</b>		-	136
Tax on profit on ordinary activities	6	(2)	(52)
<b>(Loss)/profit for the financial year</b>	11	(2)	84

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All amounts relate to continuing operations.

There were no recognised gains and losses for 2013 or 2012 other than those included in the profit and loss account.

The notes on pages 7 to 11 form part of these financial statements.



**LOCK INSPECTION HOLDINGS LIMITED**

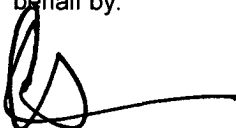
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**Balance sheet**

As at 31 December 2013

	Note	£000	2013 £000	£000	2012 £000
<b>Fixed assets</b>					
Investments	7		682		2,176
<b>Current assets</b>					
Debtors	8	452		2,498	
<b>Creditors:</b> amounts falling due within one year	9	(3)		(3,541)	
<b>Net current assets/(liabilities)</b>			449		(1,043)
<b>Net assets</b>			1,131		1,133
<b>Capital and reserves</b>					
Called up share capital	10		2		2
Share premium account	11		288		288
Capital redemption reserve	11		1		1
Profit and loss account	11		840		842
<b>Shareholder's funds</b>	12		1,131		1,133

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



**G Hudson**  
Director

Date: 19 June 2014

The notes on pages 7 to 11 form part of these financial statements.

# LOCK INSPECTION HOLDINGS LIMITED

## Notes to the financial statements For the year ended 31 December 2013

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### 1. Accounting policies

#### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 401 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

As the company is a wholly owned subsidiary of Illinois Tool Works Inc., it has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions with entities which form part of the group.

#### 1.2 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

### 2. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2013 £000	2012 £000
Auditor's remuneration	-	2

Auditor's remuneration is borne by the trading subsidiary of the company, Lock Inspection Systems Limited.

### 3. Directors' remuneration

	2013 £000	2012 £000
Remuneration	-	15

### 4. Interest receivable

	2013 £000	2012 £000
Interest receivable from group companies	-	332

# LOCK INSPECTION HOLDINGS LIMITED

## Notes to the financial statements For the year ended 31 December 2013

### 5. Interest payable

	2013 £000	2012 £000
On bank loans and overdrafts	-	62
Costs of raising loan finance	-	104
Gain on exchange	-	(79)
Dividends paid on non-equity shares	-	84
	<u>-</u>	<u>171</u>

### 6. Taxation

	2013 £000	2012 £000
<b>Analysis of tax charge in the year</b>		
UK corporation tax charge on profit for the year	-	54
Adjustments in respect of prior periods	2	(2)
	<u>2</u>	<u>52</u>
<b>Tax on profit on ordinary activities</b>	<u>2</u>	<u>52</u>

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2012: higher than) the standard rate of corporation tax in the UK of 24% (2012: 24%). The differences are explained below:

	2013 £000	2012 £000
Profit on ordinary activities before tax	<u>-</u>	<u>136</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24% (2012: 24%)	-	33
<b>Effects of:</b>		
Expenses not deductible for tax purposes	-	21
Adjustments to tax charge in respect of prior periods	2	(2)
	<u>2</u>	<u>52</u>
<b>Current tax charge for the year (see note above)</b>	<u>2</u>	<u>52</u>

# LOCK INSPECTION HOLDINGS LIMITED

Notes to the financial statements  
For the year ended 31 December 2013

## 7. Fixed asset investments

	Investments in subsidiary companies £000
<b>Cost or valuation</b>	
At 1 January 2013	2,176
Reduction	(1,494)
At 31 December 2013	682
<b>Net book value</b>	
At 31 December 2013	682
At 31 December 2012	2,176

## Subsidiary undertakings

Name and country of incorporation	Class of shares	Holding
Lock Inspection Group Limited (England and Wales)	Ordinary	100 %
Lock Inspection Systems Limited * (England and Wales)	Ordinary	100 %
Lock Inspection Investments Limited * (England and Wales)	Ordinary	100 %
* Indirect holding		

Lock Inspection Systems Limited is involved in the manufacture and supply of metal detectors and checkweighing equipment.

Lock Inspection Group Limited and Lock Inspection Investments Limited are non-trading intermediate holding companies.

During the year, investments held indirectly in Lock Inspection Systems Inc., Lock Inspection Systemes SARL and Lock Inspection Systems BV were disposed of to fellow members of the group headed by Illinois Tool Works Inc.

## 8. Debtors

	2013 £000	2012 £000
Amounts owed by group undertakings	452	2,498

# LOCK INSPECTION HOLDINGS LIMITED

## Notes to the financial statements For the year ended 31 December 2013

### 9. Creditors: Amounts falling due within one year

	2013 £000	2012 £000
Amounts owed to group undertakings	-	3,487
Corporation tax	-	54
Other creditors	3	-
	<u>3</u>	<u>3,541</u>

### 10. Share capital

	2013 £000	2012 £000
<b>Shares classified as capital</b>		
<b>Allotted, called up and fully paid</b>		
219,033 (2012: 219,033) "A" Ordinary shares of £0.01 each	2	2
5 "B" Ordinary shares of £0.01 each	-	-
	<u>2</u>	<u>2</u>
<b>Shares classified as debt</b>		
<b>Allotted, called up and fully paid</b>		
97,050 (2012: 97,050) Preferred Ordinary shares of £0.001 each	-	-
	<u>-</u>	<u>-</u>

### 11. Reserves

	Share premium account £000	Capital redemption reserve £000	Profit and loss account £000
At 1 January 2013	288	1	842
Loss for the financial year	-	-	(2)
At 31 December 2013	<u>288</u>	<u>1</u>	<u>840</u>

## LOCK INSPECTION HOLDINGS LIMITED

### Notes to the financial statements For the year ended 31 December 2013

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#### 12. Reconciliation of movement in shareholder's funds

	2013 £000	2012 £000
Opening shareholder's funds	1,133	1,049
(Loss)/profit for the financial year	(2)	84
Closing shareholder's funds	<u>1,131</u>	<u>1,133</u>

#### 13. Related party transactions

In preparing these financial statements, advantage has been taken of the provision under Financial Reporting Standard 8 which states that disclosure is not required of transactions with entities that are part of the group, on the basis that consolidated financial statements, in which the company is included, are publicly available.

#### 14. Ultimate parent undertaking and controlling party

The whole of the issued share capital of the company is owned by ITW Limited, a company registered in England and Wales. Copies of that company's financial statements are available from the Registrar of Companies.

The company's ultimate parent company and controlling party is Illinois Tool Works Inc., which is incorporated in the State of Delaware, United States of America.