

London Security plc
Annual Report and Accounts 2015

**A leader in Europe's
fire security industry**



London Security plc is a leader in Europe's fire security industry.

Each year we provide fire protection for over 218,000 customers through our local presence in the United Kingdom, Belgium, the Netherlands, Austria and Luxembourg.

Our services and products are commercialised through the well and long established brands of Nu-Swift, Ansul, Total, Premier and Master. The unique styling of our products makes them immediately recognisable to both the industry and customers alike.

We aim to achieve the highest levels of service and product quality through continuing training of our employees to the most stringent servicing standards and the development of the highest performance rated fire products. These activities are performed whilst considering the preservation of the environment.

From the largest blue chip companies to governments and private individuals, **our customers know that our name stands for integrity of service** by the best trained and qualified individuals with quality products that have achieved the highest performance ratings.



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European group brands

London Security plc continues to deliver industry-leading profit margins since acquiring the Ansul and Nu-Swift businesses. The challenges for the future are to continue to grow through acquisition and organically and to build upon our competitive advantage of being a complete fire protection solution provider.

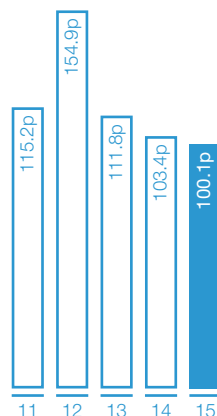
European group brands



Financial highlights

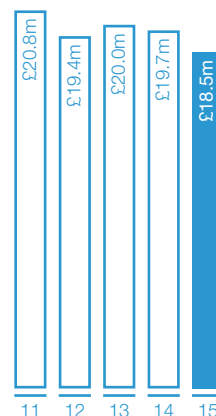
Earnings per share

100.1p



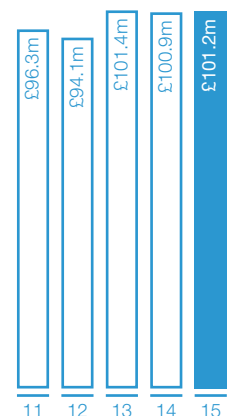
Operating profit

£18.5m



Revenue

£101.2m



Chairman's statement

“To retain our valued customers we need to strive to serve them at the highest possible level.”

Financial highlights

Financial highlights of the audited results for the year ended 31 December 2015 compared with the year ended 31 December 2014 are as follows:

- > revenue of £101.2 million (2014: £100.9 million);
- > operating profit before depreciation and amortisation of £23.2 million (2014: £23.9 million);
- > operating profit of £18.5 million (2014: £19.7 million);
- > profit after income tax of £12.3 million (2014: £12.7 million); and
- > a dividend per share of £0.68 (2014: £0.62).

Trading review

The financial highlights illustrate that the Group's revenue increased by £0.3 million (0.3%) to £101.2 million. However, these results are impacted by the movement in the Euro to Sterling average exchange rate, which has increased from 1.24 to 1.38. This movement in exchange rate had an adverse effect of £8.7 million on reported turnover. If the 2015 results had been translated at 2014 rates, revenue would have been £109.9 million instead of £101.2 million (increase of 8.9% on prior year).

Operating profit decreased by £1.2 million (6.1%) to £18.5 million. Adjusting for the change in the exchange rate on the same basis as above, operating profit would have been £20.4 million instead of £18.5 million (increase of 3.6%). This performance is reasonable and whilst the trading environment remains difficult we are hopeful of growth returning to our market. A more detailed review of this year's performance is given in the Financial Review and the Strategic Report.

Acquisitions

It remains a principal aim of the Group to grow through acquisition. Acquisitions are being sought throughout Europe and the Group will invest at prices where an adequate return is envisaged by the Board. In the year under review the Group has consolidated its presence, particularly in the Netherlands and the UK, with the acquisitions of service contracts from ten smaller well established businesses for integration into the Group's existing subsidiaries. In addition, with the acquisition of DC Security in Belgium, the Group has entered the market for intruder alarms.

Management and staff

2015 was a year in which the staff performed well and, on your behalf, I would like to express thanks and appreciation for their contribution. The Group recognises that we can only achieve our aims with talented and dedicated colleagues who provide outstanding customer service in every area of the business.

Dividends

A final dividend in respect of 2014 of £0.31 per ordinary share was paid to shareholders on 8 July 2015. An interim dividend in respect of 2015 of £0.37 per ordinary share was paid to shareholders on 30 October 2015. The Board is recommending the payment of a final dividend in respect of 2015 of £0.40 per ordinary share to be paid on 8 July 2016 to shareholders on the register on 10 June 2016. The shares will be marked ex-dividend on 9 June 2016.

Future prospects

Quantitative easing, lower energy prices and loosening credit conditions are all enhancing the trading environment for our Group. Our strong profitability and sustainable business model mean we are well placed to take advantage of this trend in 2016. For the future, customer care is becoming increasingly important in this ever competitive market. To retain our valued customers we need to strive to serve them at the highest possible level.

Annual General Meeting

The Annual General Meeting will be held at 10 Bruton Street, 5th Floor, London W1J 6PX on 22 June 2016 at 11 am. You will find enclosed a form of proxy for use at that Meeting which you are requested to complete and return in accordance with the instructions on the form. Your Directors look forward to meeting you at that time.

J.G. Murray
Chairman

28 April 2016

Financial review

Consolidated Income Statement

The Group's revenue increased by £0.3 million (0.3%) to £101.2 million. Operating profit decreased by £1.2 million (6.1%) to £18.5 million. However, these results reflect the movement in the Euro to Sterling average exchange rate, which has increased from 1.24 to 1.38. If the 2015 results from the European subsidiaries had been translated at 2014 rates, revenue would have been £109.9 million instead of £101.2 million, which would represent an increase of 8.9% on prior year. On the same basis operating profit would have been £20.4 million instead of £18.5 million, an increase of 3.6% compared to 2014. Comparing EBITDA (Earnings before interest, tax, depreciation and amortisation) to turnover, which eliminates the effect of the movement in exchange rates, the ratio has declined from 23.7% to 22.9% reflecting the pressure on prices in our market.

The largest component behind the increase in revenue was £3.6 million generated by the full year effect of the Pyrotec businesses which were acquired in December 2014. Revenue included an increase of £1.9 million from the full year effect of our new Austrian subsidiary incorporated in the prior year, PMP Manus G.m.b.H. A further £1.3 million was generated by the acquisition in January 2015 of two new subsidiaries in the Netherlands. The balance of growth came through smaller acquisitions and organic growth in our existing businesses. The Group has entered the market for intruder alarms through the acquisition of DC Security, which reported turnover of £0.1 million in 2015 but would be expected to generate £0.6 million in a full year as part of the Group. The market for fire protection is mature and highly competitive; as a result there is a downward pressure on prices which is eroding our margins. We will continue to concentrate on the highest levels of customer service to mitigate this.

As an acquisitive Group the effect of past business acquisitions can be seen in our amortisation charge. This charge represents the declining value over time of customer contracts we have acquired over the last few years. Overall depreciation and amortisation charged in deriving operating profit has increased by £0.5 million in 2015 compared to 2014. This increase is entirely attributed to the increase in the amortisation of service contracts. It is a factor of the price we pay for service contracts and the length of time we expect to retain those customers within the Group.

In summary:

- > Results have been impacted by the movement in the Euro to Sterling average exchange rate
- > The fire security market is experiencing increased competition and downward pressure on prices
- > We will continue to concentrate on the highest levels of customer service to mitigate this
- > The Board is optimistic for further success in 2016 as growth improves



Financial review continued

“The Group continues to demonstrate consistently profitable performance.”

Consolidated Income Statement continued

Net finance costs have decreased from £0.6 million to £0.3 million. This is mainly due to a revaluation of our derivative financial instruments. A decrease in their value in 2014 resulted in a £0.3 million charge to finance income. In 2015 this charge was replaced by a marginal increase in their value. These financial instruments are the interest rate agreements the Group entered into to mitigate its interest rate risk on its bank borrowings.

The Group's effective income tax rate of 32.2% of operating profit is expected to remain constant despite a reduction in corporation tax rates in the UK as most of the expense is incurred in overseas jurisdictions which are not affected by this reduction.

Consolidated Statement of Financial Position

The Group continues to demonstrate consistently profitable performance and strong cash conversion. This is illustrated by a well capitalised balance sheet with no net debt, a strong asset base and cash balances. Borrowings have decreased from £15.5 million to £13.1 million.

The movement can be analysed as follows:

| | |
|---|----------------|
| Opening borrowings | £15.5 million |
| Scheduled loan repayments | £(1.7) million |
| Amortisation of finance arrangement costs | £0.1 million |
| Exchange rate impact | £(0.8) million |
| Closing borrowings | £13.1 million |

The Group's borrowings were refinanced in May 2013 with the Group's existing bankers, Lloyds Bank plc, and the Group had a new £19.7 million facility until 2018. Half of this loan will be repaid evenly over five years with the balance at maturity. The multi-currency loan was denominated £6 million in Sterling and €16 million in Euros.

The Group incurred £0.5 million in fees in arranging these loans which will be amortised over the life of the loans. The bank loans in the financial statements are stated net of these finance arrangement fees.



Treasury management and policy

The Board considers foreign currency translation exposure and interest rates to be the only potential treasury risks. Treasury policies and guidelines are authorised and reviewed by the Board.

To fully address the foreign currency translation exposure the Group's borrowings which were refinanced in May 2013 are split between Euro and Sterling according to the forecast income streams. This policy acts as a natural hedge as the effect of an adverse exchange movement on translation of foreign currency loans would be offset by a positive effect of translating income streams from Europe and vice versa.

Regarding the interest risk, the Group has entered into interest rate agreements fixing LIBOR to 1.05% and EURIBOR to 0.84% plus a margin of 1.10% and 1.25% respectively to take advantage of the low market interest rates prevailing at the time. The agreements took effect from May 2013 and remain in effect until the loans are repaid in 2018.

Segmental reporting

The Directors have considered the requirements of IFRS 8 "Operating segments". Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). The CODM for the London Security Group has been identified as the Board as ultimately this function is responsible for the allocation of resources and assessing the performance of the Group's business units. The management information on which the CODM makes its decisions has been reviewed to identify any reportable segments as defined by IFRS 8. The Directors have concluded that there is a single operating segment for which financial information is regularly reviewed by the CODM.

The Group's companies in different European countries operate under similar economic and political conditions with no different significant risks associated with any particular area and no exchange control risks. The Group's operations are managed on a pan-European basis and there are close operational relationships between subsidiary companies. In addition the nature of products, services, production and distribution is consistent across the region. Accordingly, the Directors have concluded that under IFRS 8 the Group operates in a single geographical and market segment.

Key risks and uncertainties

The Group's key risks and uncertainties are discussed in the Strategic Report.



Strategic report

Principal activities

London Security plc is an investment holding company and its Board co-ordinates the Group's activities. The principal activities of the subsidiaries of the Group are the manufacture, sale and rental of fire protection equipment and the provision of associated maintenance services.

Business model

The Group is a leader in Europe's fire security industry. We provide fire protection through our local presence in the United Kingdom, Belgium, the Netherlands, Austria and Luxembourg.

Our services and products are commercialised through the well and long-established brands such as Nu-Swift, Ansul, Premier and Master. The unique styling of our products makes them immediately recognisable to both the industry and customers alike.

We aim to achieve the highest levels of service and product quality through continuing training of our employees to the most stringent servicing standards and the development of the highest performance rated fire products. These activities are performed whilst considering the preservation of the environment. The Group continues to build on its reputation for service excellence and quality to develop a "safety solutions" business with a well diversified and loyal customer base.

Business review and results

The Consolidated Income Statement shows a profit attributable to equity shareholders of the Parent Company for the year ended 31 December 2015 of £12.3 million (2014: £12.7 million). The Group's results are discussed in detail in the Financial Review.

The Group paid dividends in the year of £8.3 million comprising a final dividend in respect of the year ended 31 December 2014 of £0.31 per ordinary share and an interim dividend of £0.37 per ordinary share in respect of the year ended 31 December 2015. The Board is recommending the payment of a final dividend in respect of the year ended 31 December 2015 of £0.40 per ordinary share. The Group ended the year with net assets of £88.0 million (2014: £85.4 million).

Key performance indicators

Given the straightforward nature of the business, the Company's Directors are of the opinion that analysis of revenue, operating profit and earnings per share are the appropriate KPIs for an understanding of the development, performance and position of the business. The analysis of these KPIs is included in the Chairman's Statement and the Financial Review.

Principal risks and uncertainties

Increased competition, the current economic climate and industry changes are regarded as the main strategic risks. These are mitigated by providing service levels recognised as being the best in the industry, together with a diverse base of operations throughout Europe.

Growth through acquisition is an important strategy of the Group. A potential risk is not identifying unsuitable acquisitions that fail to meet the investment case and would be disruptive to integrate into the Group. This risk is mitigated by formal review by the investment committee prior to an offer being made. Following acquisition the integration team implements the integration plan and monitors performance against that plan.

Future developments

As a leading provider in our market with a well diversified and loyal customer base, the Board is cautiously optimistic for further success in 2016 as growth improves through the effects of quantitative easing, lower energy prices and loosening credit conditions. At the same time the Group continues to carefully control its cost base to ensure satisfactory levels of profit can be achieved.

Signed on behalf of the Board

J.G. Murray
Chairman

28 April 2016

Directors and Company advisers

Jacques Gaston Murray 96 Chairman

Mr. Murray's involvement in the fire industry began in 1961 with his investment in a business which became General Incendie S.A., one of France's largest fire extinguisher companies. He invested in Nu-Swift and became Chairman in 1982 and the majority shareholder in 1984 when Nu-Swift acquired Associated Fire Protection Limited, which owned General Incendie S.A. He has a business interest in, and is Chairman of, Andrews Sykes Group plc ("Andrews Sykes"), a separately AIM quoted UK company.

Jean-Jacques Murray 49 Vice Chairman

Jean-Jacques Murray is the son of Jacques Gaston Murray. His responsibility is the control and strategic direction of the Group. He is a Non-Executive Vice Chairman of Andrews Sykes.

Xavier Mignolet 51 Managing Director

Xavier Mignolet joined the Group in 1995. He is a Non-Executive Director of Andrews Sykes.

- Executive Directors
- Independent Non-Executive Directors
- Non-Executive Directors

Emmanuel Sebag 47 Executive Director

Emmanuel Sebag has responsibility for review and supervision of Group operations. He is a Non-Executive Director of Andrews Sykes.

Henry Shouler 78 Senior Independent Non-Executive Director

Henry Shouler is a Director of PKL Holdings plc. He also has a number of other directorships in private companies.

Michael Gailer 80 Independent Non-Executive Director

Michael Gailer is a Non-Executive Director of Andrews Sykes and a number of private companies.

Jean-Pierre Murray 47 Non-Executive Director

Jean-Pierre Murray is the son of Jacques Gaston Murray. He is a Non-Executive Director of Andrews Sykes and a number of private companies.

Marie-Claire Leon 52 Non-Executive Director

Marie-Claire Leon has been responsible for managing various projects around the world with Jacques Gaston Murray. She is a Non-Executive Director of Andrews Sykes.

Company advisers Company Secretary and registered office

Richard Pollard
Premier House
2 Jubilee Way
Elland
West Yorkshire HX5 9DY

Registered number
53417

Chartered accountants and statutory auditor KPMG LLP

1 Sovereign Square
Sovereign Street
Leeds LS1 4DA

Registrars Capita Asset Services

Northern House
Woodsome Park
Fenay Bridge
Huddersfield HD8 0LA

Bankers

Lloyds Banking Group plc

Stockbrokers and nominated advisers

WH Ireland Limited
24 Martin Lane
London EC4R 0DR

Report of the Directors

The Directors present their report and the audited Group and Parent Company financial statements for the year ended 31 December 2015. Future developments in the business and dividends paid and proposed are discussed in the Strategic Report. The Group's financial risk management policy is discussed in the Financial Review.

Directors

The Directors of the Parent Company who served during the whole of the year ended 31 December 2015, and up to the date of signing the Group and Parent Company financial statements, were:

Executive Directors

J.G. Murray, J-J. Murray, X. Mignolet and E. Sebag were Directors through the whole of the year ended 31 December 2015.

Non-Executive Directors

M. Gailer, M-C. Leon, H. Shouler and J-P. Murray were Directors through the whole of the year ended 31 December 2015.

J-J. Murray, X. Mignolet and M-C. Leon retire by rotation and, being eligible, offer themselves for re-election at the Annual General Meeting.

None of the Directors have a service contract with the Parent Company.

Brief biographical details of the Directors are set out on page 7.

Directors' interests

No Director in office at 31 December 2015 had any disclosable interest in the share capital of the Parent Company or any subsidiary undertaking.

Substantial shareholdings

At 28 April 2016, the Parent Company had been notified of the following interests of 3% or more in its share capital:

| | Number of shares | Percentage of share capital |
|--------------------|---------------------|-----------------------------------|
| EOI Fire SARL | 9,861,954 | 80.43% |
| Tristar Fire Corp. | 2,256,033 | 18.40% |

Insofar as it is aware, the Parent Company has no institutional shareholders.

Health, safety and the environment

The maintenance and improvement of working standards to safeguard the health and wellbeing of staff and customers alike is a continuing priority. Health and Safety Officers are appointed at each Group location and they receive periodic training to keep abreast of both legislative requirements and technological advances. It is Group policy to operate in a reasonable manner with regard to the environment.

Employment of disabled persons

The Group is committed to employment policies that follow best practice based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status, and offers appropriate training and career development for disabled staff. If members of staff become disabled the Group continues employment wherever possible and arranges retraining.

Employee involvement

The Group recognises the need to ensure effective communications with employees to encourage involvement in the Group's performance and achieve a common awareness of factors affecting that performance. Policies and procedures have been developed to suit the needs of each subsidiary undertaking, which take into account factors such as numbers employed and location, and include newsletters and communication meetings.

Payment to suppliers

The Parent Company and Group agree payment terms with all suppliers when they enter into binding purchase contracts. The Group seeks to abide by the payment terms agreed with suppliers whenever it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions. The Group does not follow any standard or external code which deals specifically with the payment of suppliers.

At 31 December 2015 Group average creditor days were 51 days (2014: 51 days). The Parent Company had no trade creditors at either year end.

Donations

The Parent Company and the Group made no political donations during the year (2014: £Nil) and made charitable donations of £3,750 (2014: £3,750).

Purchase of own shares and authorities to issue shares

As at 25 April 2016 there remained outstanding general authority for the Directors to purchase a further 500,000 ordinary shares. Resolution 9 is to be proposed at the Annual General Meeting to extend this authority until the 2017 Annual General Meeting.

The special business to be proposed at the 2016 Annual General Meeting also includes, at resolution 8, a special resolution to authorise the Directors to issue shares for cash, other than pro rata to existing shareholdings, in connection with any offer by way of rights not strictly in accordance with statutory pre-emption rights or otherwise, up to a maximum nominal value of £6,130, being 5% of the Parent Company's issued ordinary share capital. This authority will expire on the earlier of the date of next year's Annual General Meeting or 15 months after the passing of the resolution. The passing of that resolution is subject to resolution 7, an ordinary resolution, being approved to authorise the Directors to have the power to issue ordinary shares.

Statement of disclosure of information to auditor

The Directors of the Parent Company at the date of this report confirm that:

- > so far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- > each Director has taken all steps he or she ought to have taken as a Director in order to make himself or herself aware of any audit information and to establish that the Parent Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418(2) of the Companies Act 2006.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report, the Strategic Report, the Report of the Directors and the Group and Parent Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Parent Company financial statements for each financial year. As required by the AIM Rules of the London Stock Exchange they are required to prepare the Group financial statements in accordance with IFRS as adopted by the EU and applicable law and have elected to prepare the Parent Company financial statements in accordance with UK Accounting Standards and applicable law (FRS 102).

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 Group and Parent Company and of their profit or loss for that period. In preparing each of the Group and Parent Company financial statements, the Directors are required to:

- > select suitable accounting policies and then apply them consistently;
- > make judgements and estimates that are reasonable and prudent;
- > for the Group financial statements, state whether they have been prepared in accordance with IFRS as adopted by the EU;
- > for the Parent Company financial statements, 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 Group and the Parent Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Report of the Directors continued

Independent auditor

A resolution is to be proposed at the Annual General Meeting in accordance with Section 489 of the Companies Act 2006 for the re-appointment of KPMG LLP as auditor of the Parent Company and authorising the Directors to set its remuneration.

Annual General Meeting

The Notice of the Annual General Meeting is set out on pages 49 to 51 and all shareholders are invited to attend in person if they wish or by proxy if they are unable to attend. A form of proxy is enclosed for you to complete according to the instructions printed on it and send to the Parent Company's registrar. All proxies must be received by the registrars by 11 am on 20 June 2016. Appointment of a proxy will not prevent you from attending and voting at the Meeting if you subsequently find that you are able to do so.

By order of the Board

R. Pollard

Company Secretary

28 April 2016

Directors' remuneration report

The Parent Company has followed the provisions in Schedule B of the Combined Code with respect to Directors' remuneration except that, due to the small size of the Board, the remuneration committee does not consist exclusively of Independent Non-Executive Directors. As the Parent Company is quoted on AIM, it is not required to make disclosures specified by the Remuneration Report Regulations 2002.

Remuneration committee (unaudited)

The remuneration committee comprises H. Shouler, M. Gailer and J-J. Murray, the majority being Non-Executive Directors of the Company who are independent of management. The committee is chaired by H. Shouler. The remuneration of Non-Executive Directors is set by a committee of the other Directors. No Director is involved in deciding his or her own remuneration.

Policy on Executive Directors' remuneration (unaudited)

It is the Parent Company's policy to provide the packages needed to attract, retain and motivate Directors of the quality required, bearing in mind the size and resources of the Parent Company and its position relative to other companies.

Directors' remuneration (audited)

Directors' emoluments totalled £447,888 (2014: £466,103). This includes an amount paid to the highest paid Director of £199,652 (2014: £222,194).

In compliance with the amendment to AIM Rule 19 the following disclosure in respect of Directors' remuneration is made:

| | Emoluments and compensation including any cash or non-cash benefits received | |
|-------------|--|----------|
| | 2015 | 2014 |
| J.G. Murray | £Nil | £Nil |
| J-J. Murray | £165,236 | £160,909 |
| X. Mignolet | £199,652 | £222,194 |
| E. Sebag | £Nil | £Nil |
| J-P. Murray | £20,000 | £20,000 |
| M-C. Leon | £20,000 | £20,000 |
| H. Shouler | £22,000 | £22,000 |
| M. Gailer | £21,000 | £21,000 |

None of the Directors participate in Group pension arrangements. The Company paid no contributions to any private pension schemes.

The costs relating to the Head Office and other expenses of the Executive Directors are limited under a Services Agreement dated 10 December 1999 and reviewed annually. The total costs amounted to £1,687,000 (2014: £1,874,000) for the year ended 31 December 2015 as per the Services Agreement.

On behalf of the Board

H. Shouler

Chairman of the remuneration committee

28 April 2016

Independent auditor's report

to the members of London Security plc

We have audited the financial statements of London Security plc for the year ended 31 December 2015 set out on pages 13 to 48. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and International Financial Reporting Standards (IFRS) as adopted by the EU. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and UK Accounting Standards (FRS 102).

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 explained more fully in the Directors' Responsibilities Statement set out on page 9, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at 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 Group's and of the Parent Company's affairs as at 31 December 2015 and of the Group's profit for the year then ended;
- > the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the EU;
- > the Parent Company financial statements have been properly prepared in accordance with UK Generally Accepted Accounting Practice;
- > the financial statements 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 Report of the Directors 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 by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- > the Parent Company 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 Morrith (Senior Statutory Auditor)

For and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

1 Sovereign Square

Sovereign Street

Leeds LS1 4DA

28 April 2016

Consolidated income statement

for the year ended 31 December 2015

| | Notes | 2015 £'000 | 2014 £'000 |
|---|-------|----------------|---------------|
| Revenue | | 101,165 | 100,876 |
| Cost of sales | | (20,373) | (18,638) |
| Gross profit | | 80,792 | 82,238 |
| Distribution costs | | (37,304) | (38,106) |
| Administrative expenses | | (25,010) | (24,451) |
| Operating profit | | 18,478 | 19,681 |
| EBITDA* | | 23,191 | 23,938 |
| Depreciation and amortisation | | (4,713) | (4,257) |
| Operating profit | | 18,478 | 19,681 |
| Finance income | | 179 | 188 |
| Finance costs | | (446) | (832) |
| Finance costs – net | 6 | (267) | (644) |
| Profit before income tax | 7 | 18,211 | 19,037 |
| Income tax expense | 8 | (5,942) | (6,362) |
| Profit for the year attributable to equity shareholders of the Company | | 12,269 | 12,675 |
| Earnings per share | | | |
| Basic and diluted | 9 | 100.1p | 103.4p |

* Earnings before interest, tax, depreciation and amortisation.

The notes on pages 17 to 40 are an integral part of these consolidated financial statements.

The above results are all as a result of continuing operations.

Consolidated statement of comprehensive income

for the year ended 31 December 2015

| | Notes | 2015 £'000 | 2014 £'000 |
|--|-------|----------------|---------------|
| Profit for the financial year | | 12,269 | 12,675 |
| Other comprehensive (loss)/income: | | | |
| Items that may be reclassified subsequently to profit or loss: | | | |
| – currency translation differences on foreign currency net investments, net of tax | | (1,168) | (1,955) |
| Items that will not be reclassified subsequently to profit or loss: | | | |
| – actuarial (loss)/gain recognised in the Nu-Swift pension scheme | 20 | (406) | 127 |
| – movement on deferred tax relating to Nu-Swift pension scheme surplus | 18 | 142 | (518) |
| – actuarial gain/(loss) recognised in the Ansul pension scheme | 20 | 163 | (191) |
| – movement on deferred tax relating to Ansul pension scheme deficit | 18 | (56) | 69 |
| Other comprehensive loss for the year, net of tax | | (1,325) | (2,468) |
| Total comprehensive income for the year | | 10,944 | 10,207 |

Consolidated statement of changes in equity

for the year ended 31 December 2015

| | Share capital £'000 | Share premium £'000 | Capital redemption £'000 | Merger reserve £'000 | Other reserve £'000 | Profit and loss account £'000 | Total £'000 |
|---|------------------------|------------------------|-----------------------------|-------------------------|------------------------|----------------------------------|----------------|
| At 1 January 2014 | 123 | 344 | 1 | 2,033 | 5,713 | 74,597 | 82,811 |
| Total comprehensive income for the year | | | | | | | |
| Profit for the financial period | — | — | — | — | — | 12,675 | 12,675 |
| Other comprehensive income: | | | | | | | |
| – exchange adjustments | — | — | — | — | (1,955) | — | (1,955) |
| – actuarial loss on pension schemes | — | — | — | — | — | (64) | (64) |
| – net movement on deferred tax relating to pension asset | — | — | — | — | — | (449) | (449) |
| Total comprehensive income for the year | — | — | — | — | (1,955) | 12,162 | 10,207 |
| Contributions by and distributions to owners of the Company: | | | | | | | |
| – dividends | — | — | — | — | — | (7,602) | (7,602) |
| Total contributions by and distributions to owners of the Company | — | — | — | — | — | (7,602) | (7,602) |
| At 1 January 2015 | 123 | 344 | 1 | 2,033 | 3,758 | 79,157 | 85,416 |
| Total comprehensive income for the year | | | | | | | |
| Profit for the financial period | — | — | — | — | — | 12,269 | 12,269 |
| Other comprehensive income: | | | | | | | |
| – exchange adjustments | — | — | — | — | (1,168) | — | (1,168) |
| – actuarial loss on pension schemes | — | — | — | — | — | (243) | (243) |
| – net movement on deferred tax relating to pension asset | — | — | — | — | — | 86 | 86 |
| Total comprehensive income for the year | — | — | — | — | (1,168) | 12,112 | 10,944 |
| Contributions by and distributions to owners of the Company: | | | | | | | |
| – dividends | — | — | — | — | — | (8,337) | (8,337) |
| Total contributions by and distributions to owners of the Company | — | — | — | — | — | (8,337) | (8,337) |
| At 31 December 2015 | 123 | 344 | 1 | 2,033 | 2,590 | 82,932 | 88,023 |

The merger reserve is not a distributable reserve. The other reserve relates entirely to the effects of changes in foreign currency exchange rates.

Consolidated statement of financial position

as at 31 December 2015

| | Notes | 2015 £'000 | 2014 £'000 |
|---------------------------------------|-------|-----------------|---------------|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 11 | 9,789 | 9,747 |
| Intangible assets | 12 | 60,594 | 61,400 |
| Deferred tax asset | 18 | 690 | 753 |
| Retirement benefit surplus | 20 | 3,196 | 3,283 |
| | | 74,269 | 75,183 |
| Current assets | | | |
| Inventories | 14 | 9,689 | 9,494 |
| Trade and other receivables | 15 | 19,901 | 19,573 |
| Cash and cash equivalents | 16 | 19,736 | 20,978 |
| | | 49,326 | 50,045 |
| Total assets | | 123,595 | 125,228 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 17 | (16,666) | (18,232) |
| Income tax liabilities | | (1,335) | (1,389) |
| Borrowings | 19 | (1,679) | (1,782) |
| Provision for liabilities and charges | 21 | (35) | — |
| | | (19,715) | (21,403) |
| Non-current liabilities | | | |
| Trade and other payables | 17 | (669) | (739) |
| Borrowings | 19 | (11,417) | (13,678) |
| Derivative financial instruments | 13 | (190) | (227) |
| Deferred tax liabilities | 18 | (1,696) | (1,701) |
| Retirement benefit obligations | 20 | (1,684) | (1,843) |
| Provision for liabilities and charges | 21 | (201) | (221) |
| | | (15,857) | (18,409) |
| Total liabilities | | (35,572) | (39,812) |
| Net assets | | 88,023 | 85,416 |
| Shareholders' equity | | | |
| Ordinary shares | 22 | 123 | 123 |
| Share premium | 22 | 344 | 344 |
| Capital redemption reserve | 22 | 1 | 1 |
| Merger reserve | | 2,033 | 2,033 |
| Other reserves | | 2,590 | 3,758 |
| Retained earnings | | 82,932 | 79,157 |
| Total shareholders' equity | | 88,023 | 85,416 |

The financial statements on pages 13 to 40 were approved by the Board of Directors on 28 April 2016 and were signed on its behalf by:

J.G. Murray
Chairman
28 April 2016

Consolidated statement of cash flow

for the year ended 31 December 2015

| | Notes | 2015 £'000 | 2014 £'000 |
|---|-------|-----------------|---------------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 23 | 20,215 | 24,338 |
| Interest paid | | (425) | (472) |
| Income tax paid | | (5,889) | (5,218) |
| Net cash generated from operating activities | | 13,901 | 18,648 |
| Cash flows from investing activities | | | |
| Acquisition of subsidiary undertakings (net of cash acquired) | 26 | (1,301) | (2,164) |
| Purchases of property, plant and equipment | | (2,363) | (2,304) |
| Proceeds from sale of property, plant and equipment | | 236 | 242 |
| Purchases of intangible assets | | (974) | (3,519) |
| Interest received | | 27 | 68 |
| Net cash used in investing activities | | (4,375) | (7,677) |
| Cash flows from financing activities | | | |
| Repayments of borrowings | | (1,663) | (1,855) |
| Dividends paid to Company's shareholders | | (8,337) | (7,602) |
| Net cash used in financing activities | | (10,000) | (9,457) |
| Effects of exchange rates on cash and cash equivalents | | (768) | (1,101) |
| Net (decrease)/increase in cash in the year | | (1,242) | 413 |
| Cash and cash equivalents at the beginning of the year | | 20,978 | 20,565 |
| Cash and cash equivalents at end of the year | 16 | 19,736 | 20,978 |

Notes to the financial statements

for the year ended 31 December 2015

1 General information

London Security plc (the "Parent Company") is a leader in the European fire security industry, providing fire protection for our customers through a local presence in the UK, Belgium, the Netherlands, Austria and Luxembourg.

The Parent Company is a public limited liability company incorporated and domiciled in England. The registered office is Premier House, 2 Jubilee Way, Elland, West Yorkshire HX5 9DY.

The Parent Company has its primary listing on AIM, part of the London Stock Exchange.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these Group financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These Group financial statements have been prepared in accordance with IFRS as adopted by the EU, IFRIC interpretations and those parts of the Companies Act 2006 applicable to companies reporting under IFRS. These Group financial statements have been prepared under the historical cost convention, as modified by accounting for derivative financial instruments at fair value through profit or loss.

The Directors have prepared these financial statements on the fundamental assumption that the Group is a going concern and will continue to trade for at least 12 months following the date of approval of the financial statements. In determining whether the Group's accounts should be prepared on a going concern basis the Directors have considered the factors likely to affect the future performance. The Directors have reviewed trading and cash flow forecasts as part of the going concern assessment and based on this have the expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

Accounting developments

- (a) A number of new standards, amendments to standards and interpretations are effective for the year ended 31 December 2015. These are considered either not relevant or to have no material impact on the Group.
- (b) There are also a number of new standards, amendments to standards and interpretations that are mandatory for accounting periods beginning on or after 1 January 2016, but the Group has not adopted them early. These are considered either not relevant or are not expected to have a material impact on the Group.

Consolidation

Subsidiaries are entities which the Group has power over, exposure or rights to variable returns and an ability to use its power to effect those returns. All subsidiaries share the same reporting date, being 31 December, and the same accounting policies as London Security plc.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The costs directly attributable to the acquisition are expensed, with the exception of those relating to the costs to issue debt or equity securities, which are recognised in accordance with IAS 32 and IAS 39. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred.

On transition to IFRS, the Directors fixed the value of consolidated goodwill on the European subsidiaries at the rate in effect at the date of transition, as permitted under IFRS 1. Hence, the consolidated goodwill is presented at amortised cost less any provision for diminution in value.

Notes to the financial statements continued

for the year ended 31 December 2015

2 Summary of significant accounting policies continued

Segment reporting

An operating segment is a group of assets and operations for which discrete financial information is available that is regularly reviewed by the CODM. The Directors have concluded that there is a single operating segment as defined by IFRS 8, being the provision and maintenance of fire protection equipment in Europe. Consequently, the results for the year and assets and liabilities relate to the one operating segment and one geographical area.

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Group financial statements are presented in Sterling, which is the Parent Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each Statement of Financial Position presented are translated at the closing rate at the date of that Statement of Financial Position;
- (ii) income and expenses for each Income Statement are translated at average exchange rates; and
- (iii) all resulting exchange differences are recognised as a separate component of equity and are reported within the Statement of Comprehensive Income.

In accordance with IFRS 1, the translation reserve has been set at £Nil at the date of transition to IFRS.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations and of borrowings and other currency instruments designated as hedges of such investments are taken to shareholders' equity. When a foreign operation is sold, exchange differences that were recorded in equity are recognised in the Income Statement as part of the gain or loss on sale.

Property, plant and equipment

Property is carried at deemed cost at the date of transition to IFRS based on the previous UK GAAP valuations. Plant and equipment held at the date of transition and subsequent additions to property, plant and equipment are stated at purchase cost including directly attributable costs, less accumulated depreciation.

Subsequent costs are recognised when it is probable that future economic benefits associated with the items will flow to the Group and the costs of the item can be measured reliably.

Freehold land is not depreciated. Depreciation on all other assets is calculated using the straight line method to allocate their cost less residual value over their estimated useful lives, as follows:

| | |
|--|---------|
| Freehold buildings | 2%–6% |
| Plant, machinery and extinguisher rental units | 10%–33% |
| Motor vehicles and share in aircraft | 5%–33% |
| Fixtures, fittings and equipment | 10% |

The assets' residual values and useful lives are reviewed and adjusted if appropriate at each Statement of Financial Position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount. These are included in the Income Statement.

2 Summary of significant accounting policies continued

Intangible assets

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the identifiable net assets acquired. Goodwill on acquisition of subsidiaries is included in "intangible assets". Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(b) Approval costs

Approval costs are the expenses incurred in meeting the regulatory requirements measuring the fire rating of our products. Approval costs are shown at historical cost, have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight line method to allocate their cost over their estimated useful lives (ten to twenty years).

(c) Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (three to five years) using the straight line method.

(d) Service contracts

Acquired service contracts are capitalised on the basis of the costs incurred to acquire. Amortisation is calculated using the straight line method to allocate the cost of the contracts over their estimated useful lives (five to ten years) based on information available to the Directors on average attrition rates.

Derivative financial instruments and hedging activities

Derivative financial instruments are initially measured at cost and are remeasured at fair value at the Statement of Financial Position date with any valuation adjustment being reflected in the Income Statement. The fair value at the Balance Sheet date is calculated based on observable interest rates (level 2 inputs).

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Provision is made for obsolete, slow moving or defective items where appropriate.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently adjusted for any provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the Income Statement within administrative expenses.

Cash and cash equivalents

Cash and cash equivalents are included in the Statement of Financial Position at cost. Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term, highly liquid investments with original maturities of three months or less, less bank overdrafts where there is a legal right of offset. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where the Parent Company purchases its own shares, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Parent Company's equity holders until the shares are cancelled.

Notes to the financial statements continued

for the year ended 31 December 2015

2 Summary of significant accounting policies continued

Trade payables

Trade payables are recognised at fair value.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the Statement of Financial Position date.

Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the Statement of Financial Position date in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the net assets approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Statement of Financial Position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Employee benefits

Pension obligations

Group companies operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. The Group has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability and surplus recognised in the Statement of Financial Position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the Statement of Financial Position date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated triennially by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

The interest cost and the expected return on the assets are shown within finance cost and finance income respectively within the Consolidated Income Statement. Actuarial gains and losses are recognised immediately in the Consolidated Statement of Comprehensive Income. Net defined benefit pension scheme deficit and surplus are presented separately on the Statement of Financial Position within non-current liabilities and non-current assets respectively before tax relief. The attributable deferred tax asset and liability is included within deferred tax and is subject to the recognition criteria as set out in the accounting policy on deferred taxation.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense when they are due.

Provisions

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

2 Summary of significant accounting policies continued

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, estimated returns, rebates and discounts and after eliminated sales within the Group. Revenue is recognised as follows:

(a) Outright sale of equipment

Revenue from the outright sale of equipment is recognised upon delivery to the customer.

(b) Service

Revenue from the servicing of equipment is recognised when the service has been performed.

(c) Maintenance

Revenue from the provision of maintenance services is recognised over the term of the maintenance contract on a pro rata basis with the unexpired portion held in deferred income.

(d) Equipment leases

Revenue from the equipment leased to customers under an operating lease is recognised over the term of the lease, typically five years, on a pro rata basis. All contracts are cancellable.

(e) Long-term installation

Revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments. As soon as the outcome of the contract can be estimated reliably, contract revenue is recognised in the Income Statement in proportion to the stage of completion of the contract. Contract expenses are recognised as incurred unless they create an asset related to future contract activity. An expected loss on a contract is recognised immediately in the Income Statement.

Cost of sales

Cost of sales includes direct material costs. Other direct costs, largely direct labour, of £36.2 million (2014: £36.9 million) are included within distribution costs.

Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Income Statement on a straight line basis over the period of the lease.

Dividend distribution

Dividend distribution to the Parent Company's shareholders is recognised as a liability in the Group's financial statements when paid in the case of interim dividends or in the period in which the dividends are approved by the Parent Company's shareholders in the case of final dividends.

3 Financial risk management

Financial risk factors

The Board considers the Group has exposure to the following risks: foreign exchange risk, interest rate risk and capital risk. Risk management is carried out under treasury policies and guidelines authorised and reviewed by the Board of Directors. This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk and the Group's management of capital. The Board has also considered the Group's exposure to credit risk and liquidity risk. The Group's trade receivables consist of a large number of customers spread across diverse industries and geographical locations. The Group does not have any significant credit risk exposure to any single customer. As a result the Board has concluded that the carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk. In view of the significant level of cash reserves held by the Group, the Board has concluded that it has minimal exposure to liquidity risk.

Notes to the financial statements continued

for the year ended 31 December 2015

3 Financial risk management continued

Financial risk factors continued

(a) Foreign exchange risk

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

The Group's exposure to foreign currency risk is as follows. This is based on the carrying amount for monetary financial instruments except derivatives when it is based on notional amounts:

| 31 December 2015 | Sterling £'000 | Euro £'000 | Total £'000 |
|-------------------------------|-------------------|---------------|----------------|
| Cash and cash equivalents | 6,162 | 13,574 | 19,736 |
| Trade and other receivables | 4,373 | 15,528 | 19,901 |
| Bank loans | (4,441) | (8,655) | (13,096) |
| Trade and other payables | (4,379) | (12,287) | (16,666) |
| Income tax liabilities | (169) | (1,166) | (1,335) |
| Balance sheet exposure | 1,546 | 6,994 | 8,540 |

| 31 December 2014 | Sterling £'000 | Euro £'000 | Total £'000 |
|-------------------------------|-------------------|---------------|----------------|
| Cash and cash equivalents | 6,265 | 14,713 | 20,978 |
| Trade and other receivables | 4,802 | 14,771 | 19,573 |
| Bank loans | (5,015) | (10,445) | (15,460) |
| Trade and other payables | (4,401) | (13,831) | (18,232) |
| Income tax liabilities | (193) | (1,196) | (1,389) |
| Balance sheet exposure | 1,458 | 4,012 | 5,470 |

A 5% weakening of the Euro against Sterling at 31 December 2015 would have decreased equity and profit or loss by £342,000 (2014: decrease £178,000). This calculation assumes that the change occurred at the Statement of Financial Position date and had been applied to risk exposures existing at that date. A 5% strengthening of the Euro against Sterling at 31 December 2015 would have had the equal but opposite effect, on the basis that all other variables remain constant.

(b) Interest rate risk

The Group's interest rate risk arises from long-term borrowings. These borrowings were issued at variable rates based on EURIBOR and LIBOR and did expose the Group to cash flow interest rate risk.

The Group manages its cash flow interest rate risk by entering into fixed interest rate agreements. The effect of these agreements is to fix the Group's exposure to EURIBOR to 0.84% and LIBOR to 1.05%. The agreements took effect from May 2013 and provide interest rate cover until the loans are repaid in May 2018.

(c) Capital risk

The Group's objective in managing capital is to maintain a strong capital base to support current operations and planned growth and to provide for an appropriate level of dividend payment to shareholders.

The Group is not subject to external regulatory capital requirements.

| | 2015 £'000 | 2014 £'000 |
|---------------------------------|---------------|---------------|
| Total capital | | |
| Total borrowings | 13,096 | 15,460 |
| Less: cash and cash equivalents | (19,736) | (20,978) |
| Net funds | (6,640) | (5,518) |
| Total equity | 88,023 | 85,416 |
| Total capital | 81,383 | 79,898 |

4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year are discussed below.

(a) Carrying value of goodwill

The Group tests annually whether the carrying value of goodwill has suffered any impairment, in accordance with its accounting policy. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations.

The value-in-use calculations have used pre-tax cash flow projections based on the budget for the year ending 31 December 2016 and are extrapolated using an estimated growth rate of 1% reflecting the mature nature of the market in which the Group operates. The cash flows are then discounted. The value-in-use calculations did not indicate impairment in any goodwill. If the discount rate had been 5% higher there would still have been no impairment in any goodwill.

(b) Pension scheme assumptions and mortality tables

The carrying value of the defined benefit pension scheme is valued using actuarial valuations. These valuations are based on assumptions including the selection of the most appropriate mortality table for the profile of the members in the scheme and the financial assumptions concerning discount rates and inflation. All these are estimates of future events and are therefore uncertain. The choices are based on advice received from the scheme's actuaries which are checked from time to time with benchmark surveys. The effect of varying these assumptions is discussed in the relevant pension note.

(c) Useful economic lives of intangible assets

Amortisation of intangible assets is charged to the Income Statement on a straight line basis over the estimated useful economic life of each asset which in some cases is in excess of the contracted life. The Directors have made judgements based on the evidence in the market and historical evidence on attrition rates when determining the useful economic lives of intangible assets and based on the legal rights on the contracts being renewable.

(d) Provisions for doubtful debtors

Trade receivables are stated in the Statement of Financial Position at their nominal value less any appropriate provisions for irrecoverable amounts. In determining the need for a provision, judgement is required in estimating the likely levels of recovery. In exercising this judgement, consideration is given to the overall economic environment as well as specific indicators that the recovery of the balance may be in doubt.

5 Employee benefit expense

| | 2015 £'000 | 2014 £'000 |
|--------------------------------|---------------|---------------|
| Wages and salaries | 33,941 | 34,535 |
| Social security costs | 7,081 | 7,254 |
| Other pensions costs (note 20) | 1,253 | 1,313 |
| | 42,275 | 43,102 |
| Number of employees | 1,061 | 1,015 |

Directors' remuneration is reported within audited sections of the Directors' Remuneration Report on page 11 under the heading "Directors' remuneration (audited)".

The average monthly number of persons employed by the Group (including Directors) during the year was as follows:

| | 2015 Number | 2014 Number |
|-------------------------------|----------------|----------------|
| Production | 48 | 48 |
| Administration and management | 1,013 | 967 |
| Total | 1,061 | 1,015 |

Notes to the financial statements continued

for the year ended 31 December 2015

6 Finance income and costs

| | 2015 £'000 | 2014 £'000 |
|--|---------------|---------------|
| Finance income | | |
| Bank interest receivable | (35) | (68) |
| Expected return on pension scheme assets (note 20) | (115) | (120) |
| Fair value of derivative financial instruments | (29) | — |
| Total finance income | (179) | (188) |
| Finance costs | | |
| Bank loans, overdrafts and other loans repayable within five years | 328 | 374 |
| Amortisation of loan arrangement fees | 97 | 97 |
| Fair value of derivative financial instruments | — | 320 |
| Interest on pension scheme liabilities (note 20) | 21 | 41 |
| Total finance costs | 446 | 832 |
| Net finance costs | 267 | 644 |

7 Profit before income tax

Profit before income tax is stated after charging/(crediting):

| | 2015 £'000 | 2014 £'000 |
|---|---------------|---------------|
| Depreciation of property, plant and equipment | 2,027 | 2,043 |
| Amortisation of intangible fixed assets | 2,686 | 2,214 |
| Profit on disposal of plant and equipment | (11) | (51) |
| Hire charges under operating leases: | | |
| – land and buildings | 802 | 665 |
| – other | 1,020 | 1,108 |

Services provided by the Group's external auditor and network firms

During the year, the Group (including its overseas subsidiaries) obtained the following services from the Group's auditor as detailed below:

| | 2015 £'000 | 2014 £'000 |
|---|---------------|---------------|
| Audit services | | |
| Fees payable to the Parent Company's auditor for the audit of the Group's annual accounts | 18 | 18 |
| Fees payable to the Parent Company's auditor and its network firms for other services: | | |
| – the audit of the Parent Company's subsidiaries pursuant to legislation | 176 | 167 |
| Other services relating to: | | |
| – compliance services | 7 | 8 |
| – advisory services | 5 | — |
| | 206 | 193 |

8 Income tax expense

| | 2015 £'000 | 2014 £'000 |
|---|---------------|---------------|
| United Kingdom | | |
| Corporation tax | 311 | 268 |
| Adjustment in respect of prior periods | — | (22) |
| | 311 | 246 |
| Foreign tax | | |
| Corporation taxes | 5,488 | 5,996 |
| Total current tax | 5,799 | 6,242 |
| Deferred tax | | |
| Original and reversal of timing differences representing: | | |
| – United Kingdom tax | 137 | 185 |
| – foreign tax | 6 | (65) |
| Total deferred tax (note 18) | 143 | 120 |
| Total tax charge | 5,942 | 6,362 |

The tax for the year is higher (2014: higher) than the standard rate of corporation tax in the United Kingdom of 20.25% (2014: 21.50%). The differences are explained below:

| | 2015 £'000 | 2014 £'000 |
|---|---------------|---------------|
| Profit on ordinary activities before taxation | 18,211 | 19,037 |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the United Kingdom of 20.25% (2014: 21.50%) | 3,688 | 4,093 |
| Effects of: | | |
| – expenses not deductible for tax purposes | 201 | 113 |
| – overseas tax in excess of UK standard | 2,053 | 2,178 |
| – prior year over provision | — | (22) |
| Total tax charge | 5,942 | 6,362 |

A reduction in the UK's main rate of corporation tax from 20% to 18% (effective from 1 April 2020) was substantively enacted on 26 October 2015. However, the Group expects to pay similar levels of taxation going forward as most of the expense is incurred in overseas jurisdictions which are not affected by these reductions.

9 Earnings per share

The calculation of basic earnings per ordinary share ("EPS") is based on the profit on ordinary activities after taxation of £12,269,000 (2014: £12,675,000) and on 12,261,477 (2014: 12,261,477) ordinary shares, being the weighted average number of ordinary shares in issue during the year.

For diluted EPS, the weighted average number of shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. There was no difference in the weighted average number of shares used for the calculation of basic and diluted earnings per share as there are no potentially dilutive shares outstanding.

| | 2015 | | 2014 | |
|--|--------|-------|--------|-------|
| | £'000 | Pence | £'000 | Pence |
| Profit on ordinary activities after taxation | 12,269 | 100.1 | 12,675 | 103.4 |

Notes to the financial statements continued

for the year ended 31 December 2015

10 Dividends per share

| | 2015 £'000 | 2014 £'000 |
|--|---------------|---------------|
| Equity – ordinary shares | | |
| Final paid £0.31 (2014: £0.31) per share | 3,801 | 3,801 |
| Interim paid £0.37 (2014: £0.31) per share | 4,536 | 3,801 |
| | 8,337 | 7,602 |

The Board is recommending the payment of a final dividend in respect of the year ended 31 December 2015 of £0.40 per ordinary share (2014: £0.31).

11 Property, plant and equipment

| | Freehold land and buildings £'000 | Plant and machinery £'000 | Extinguisher rental units £'000 | Motor vehicles and share in aircraft £'000 | Fixtures, fittings and equipment £'000 | Total £'000 |
|--|--|---------------------------------|---------------------------------------|--|---|----------------|
| Cost | | | | | | |
| At 1 January 2014 | 9,482 | 3,245 | 10,049 | 7,879 | 3,912 | 34,567 |
| Additions | 52 | 88 | 262 | 1,577 | 324 | 2,303 |
| On acquisitions of subsidiary undertakings | 9 | 8 | — | 115 | 5 | 137 |
| Disposals | — | (4) | (90) | (1,125) | (97) | (1,316) |
| Exchange adjustment | (426) | (197) | (694) | (490) | (230) | (2,037) |
| At 1 January 2015 | 9,117 | 3,140 | 9,527 | 7,956 | 3,914 | 33,654 |
| Additions | 17 | 187 | 234 | 1,613 | 312 | 2,363 |
| On acquisitions of subsidiary undertakings | — | 7 | — | 100 | 13 | 120 |
| Disposals | — | (9) | (73) | (954) | (20) | (1,056) |
| Exchange adjustment | (275) | (133) | (478) | (157) | (48) | (1,091) |
| At 31 December 2015 | 8,859 | 3,192 | 9,210 | 8,558 | 4,171 | 33,990 |
| Accumulated depreciation | | | | | | |
| At 1 January 2014 | 5,262 | 2,606 | 9,447 | 4,090 | 3,189 | 24,594 |
| Disposals | — | (4) | (77) | (946) | (98) | (1,125) |
| Charge for the year | 156 | 131 | 255 | 1,238 | 263 | 2,043 |
| Exchange adjustment | (338) | (170) | (657) | (248) | (192) | (1,605) |
| At 1 January 2015 | 5,080 | 2,563 | 8,968 | 4,134 | 3,162 | 23,907 |
| Disposals | — | (7) | (63) | (749) | (12) | (831) |
| Charge for the year | 133 | 122 | 230 | 1,253 | 289 | 2,027 |
| Exchange adjustment | (233) | (116) | (452) | (69) | (32) | (902) |
| At 31 December 2015 | 4,980 | 2,562 | 8,683 | 4,569 | 3,407 | 24,201 |
| Net book amount | | | | | | |
| At 31 December 2015 | 3,879 | 630 | 527 | 3,989 | 764 | 9,789 |
| At 31 December 2014 | 4,037 | 577 | 559 | 3,822 | 752 | 9,747 |
| At 31 December 2013 | 4,220 | 639 | 602 | 3,789 | 723 | 9,973 |

Depreciation and profit/loss on disposal have been charged to the Income Statement through administrative expenses. Freehold land is not depreciated.

12 Intangible assets

| | Goodwill £'000 | Service contracts £'000 | Software £'000 | Approval costs £'000 | Total £'000 |
|--|-------------------|-------------------------------|-------------------|----------------------------|----------------|
| Cost | | | | | |
| At 1 January 2014 | 63,326 | 16,679 | 1,122 | 1,866 | 82,993 |
| Additions | 430 | 2,884 | 161 | 124 | 3,599 |
| On acquisitions of subsidiary undertakings | 928 | 1,734 | — | — | 2,662 |
| Disposals | — | — | (181) | (69) | (250) |
| Exchange differences | (1,562) | (891) | (74) | (132) | (2,659) |
| At 1 January 2015 | 63,122 | 20,406 | 1,028 | 1,789 | 86,345 |
| Additions | — | 785 | 139 | 49 | 973 |
| On acquisitions of subsidiary undertakings | 233 | 1,264 | — | — | 1,497 |
| Exchange differences | (1,008) | (666) | (48) | (91) | (1,813) |
| At 31 December 2015 | 62,347 | 21,789 | 1,119 | 1,747 | 87,002 |
| Accumulated amortisation | | | | | |
| At 1 January 2014 | 15,706 | 7,120 | 565 | 1,277 | 24,668 |
| Disposals | — | — | (143) | — | (143) |
| Charge for the year | — | 1,972 | 126 | 116 | 2,214 |
| Exchange differences | (1,366) | (296) | (37) | (95) | (1,794) |
| At 1 January 2015 | 14,340 | 8,796 | 511 | 1,298 | 24,945 |
| Charge for the year | — | 2,402 | 167 | 117 | 2,686 |
| Exchange differences | (921) | (220) | (17) | (65) | (1,223) |
| At 31 December 2015 | 13,419 | 10,978 | 661 | 1,350 | 26,408 |
| Net book amount | | | | | |
| At 31 December 2015 | 48,928 | 10,811 | 458 | 397 | 60,594 |
| At 31 December 2014 | 48,782 | 11,610 | 517 | 491 | 61,400 |
| At 31 December 2013 | 47,620 | 9,559 | 557 | 589 | 58,325 |

Amortisation has been charged to the Income Statement through administrative expenses. Additions are discussed in further detail in note 26.

Impairment tests for goodwill and service contracts

The recoverable amount of goodwill and service contracts is determined based on value-in-use calculations for each cash-generating unit ("CGU"). The value-in-use calculations have used pre-tax cash flow projections based on the budget for the year ending 31 December 2016. Subsequent cash flows are extrapolated using an estimated growth rate of 1% reflecting the mature nature of the market in which the Group operates. The cash flows have then been discounted using a pre-tax rate of between 7.0% and 10.0%. The value-in-use calculations did not indicate impairment in any goodwill or service contracts. If the discount rate had been 5% higher there would still have been no impairment in any goodwill. The value of goodwill is split into five CGUs to assess indicators of impairment. Of the total goodwill £38,451,000 relates to Ansul Group companies, £8,770,000 relates to the integrated UK companies, £1,009,000 relates to the Pyrotec companies and the balance relates to the remaining CGUs which are individually considered insignificant.

Notes to the financial statements continued

for the year ended 31 December 2015

13 Derivative financial instruments

| | 2015 | | 2014 | |
|--------------------------|-----------------|----------------------|-----------------|----------------------|
| | Assets £'000 | Liabilities £'000 | Assets £'000 | Liabilities £'000 |
| Interest rate agreements | — | 190 | — | 227 |

The Group has entered into interest rate agreements fixing LIBOR to 1.05% and EURIBOR to 0.84%. The agreements took effect from May 2013 and remain in effect until the loans are repaid in 2018. The liability represents the forecast increase in interest payable as a result of these agreements over the remaining life of the loans at the year end. The fair value at the year end is calculated based on observable interest rates.

14 Inventories

| | 2015 £'000 | 2014 £'000 |
|-------------------------------|---------------|---------------|
| Raw materials and consumables | 4,528 | 4,514 |
| Work in progress | 341 | 277 |
| Finished goods | 4,820 | 4,703 |
| | 9,689 | 9,494 |

No (2014: £Nil) previous inventory write downs have been reversed.

15 Trade and other receivables

| | 2015 £'000 | 2014 £'000 |
|---|---------------|---------------|
| Amounts falling due within one year | | |
| Trade receivables | 19,298 | 18,999 |
| Less: provision for impairment of receivables | (1,487) | (1,446) |
| Trade receivables – net | 17,811 | 17,553 |
| Amounts owed by related undertakings | 31 | 30 |
| Other receivables | 491 | 670 |
| Prepayments and accrued income | 1,322 | 1,111 |
| Taxation recoverable | 246 | 209 |
| | 19,901 | 19,573 |

Amounts owed by related undertakings do not attract interest and no security is held in respect of these balances.

As of 31 December 2015, trade receivables of £10,635,000 (2014: £11,153,000) were fully performing.

As of 31 December 2015, trade receivables of £5,242,000 (2014: £4,499,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

| | 2015 £'000 | 2014 £'000 |
|---------------------|---------------|---------------|
| Up to three months | 4,821 | 3,888 |
| Three to six months | 421 | 611 |
| | 5,242 | 4,499 |

15 Trade and other receivables continued

As of 31 December 2015, trade receivables of £3,410,000 (2014: £3,342,000) were impaired and provided for. The amount of the provision was £1,487,000 (2014: £1,446,000). It was assessed that a portion of the receivables is expected to be recovered. The ageing of these receivables is as follows:

| | 2015 £'000 | 2014 £'000 |
|-----------------------|---------------|---------------|
| Up to three months | 1,041 | 1,131 |
| Three to six months | 906 | 843 |
| Six months or greater | 1,463 | 1,368 |
| | 3,410 | 3,342 |

The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:

| | 2015 £'000 | 2014 £'000 |
|----------|---------------|---------------|
| Sterling | 4,373 | 4,802 |
| Euro | 15,528 | 14,771 |
| Total | 19,901 | 19,573 |

These are detailed as Sterling equivalent.

Movements in the Group provision for impaired trade receivables are as follows:

| | 2015 £'000 | 2014 £'000 |
|--|---------------|---------------|
| At 1 January | 1,446 | 1,378 |
| Provision for receivables' impairment | 701 | 739 |
| Receivables written off in the year as uncollectable | (194) | (222) |
| Unused amounts reversed | (466) | (449) |
| At 31 December | 1,487 | 1,446 |

The creation and release of the provision for impaired receivables has been included in administrative expenses in the Income Statement. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash. The other classes within trade and other receivables do not contain impaired assets. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above.

The carrying value of trade and other receivables approximates to fair value.

The Group does not hold any collateral as security.

16 Cash and cash equivalents

| | 2015 £'000 | 2014 £'000 |
|--------------------------|---------------|---------------|
| Cash at bank and in hand | 19,736 | 20,978 |

The carrying value of cash at bank and in hand represents its fair value due to its short maturity.

Notes to the financial statements continued

for the year ended 31 December 2015

17 Trade and other payables

| | 2015 £'000 | 2014 £'000 |
|---------------------------------------|---------------|---------------|
| Current | | |
| Trade payables | 2,866 | 2,629 |
| Other payables | 2,498 | 2,845 |
| Other taxation and social security | 7,527 | 7,973 |
| Accruals | 1,379 | 2,282 |
| Deferred income | 2,396 | 2,503 |
| | 16,666 | 18,232 |
| Non-current (one to two years) | | |
| Other payables | 669 | 739 |

18 Deferred income tax

| | Amount (provided)/recognised | | Amount (unprovided)/unrecognised | |
|---|---------------------------------|---------------|-------------------------------------|---------------|
| | 2015 £'000 | 2014 £'000 | 2015 £'000 | 2014 £'000 |
| Deferred tax asset | | | | |
| Pension deficit | 573 | 626 | — | — |
| Decelerated capital allowances | 117 | 127 | — | — |
| Unrecoverable losses | — | — | 1,028 | 1,142 |
| | 690 | 753 | 1,028 | 1,142 |
| Deferred tax liabilities | | | | |
| Pension surplus | (1,119) | (1,149) | — | — |
| Short-term timing differences | (577) | (552) | — | — |
| | (1,696) | (1,701) | — | — |
| Net deferred tax (liability)/asset | (1,006) | (948) | 1,028 | 1,142 |

| | £'000 |
|---|----------------|
| At 1 January 2015 | (948) |
| Exchange differences | (1) |
| Amount charged to the Consolidated Income Statement (note 8) | (143) |
| Amount credited to the Consolidated Statement of Comprehensive Income | 86 |
| At 31 December 2015 | (1,006) |

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences will reverse, based on tax rates and laws substantively enacted at the Statement of Financial Position date, applicable to the jurisdiction in which the asset/liability is recognised.

19 Borrowings

| | 2015 £'000 | 2014 £'000 |
|--|---------------|---------------|
| Non-current (more than one year but less than five years) | | |
| Bank borrowings: | | |
| – in one to two years | 1,679 | 1,782 |
| – between two and five years | 9,738 | 11,896 |
| | 11,417 | 13,678 |
| Current (one year or less or on demand) | | |
| Bank borrowings | 1,679 | 1,782 |
| Total borrowings | 13,096 | 15,460 |

Interest rates (including the bank's margin) on the bank loans in existence during the year averaged 2.72% (2014: 2.65%) per annum. Bank loans are stated net of unamortised finance arrangement costs of £227,000 (2014: £325,000), of which £130,000 (2014: £227,000) is to be amortised after more than one year.

The table below analyses the Group's financial liabilities including interest which will be settled on a net basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows which have been calculated using spot rates at the relevant balance sheet date.

| Financial maturity analysis | 2015 £'000 | 2014 £'000 |
|------------------------------|---------------|---------------|
| Bank borrowings: | | |
| – within one year | 2,043 | 2,198 |
| – in one to two years | 2,005 | 2,158 |
| – between two and five years | 9,871 | 12,370 |
| | 13,919 | 16,726 |

The estimated fair value of the interest rate agreement has been included in the Statement of Financial Position as disclosed in note 13.

The borrowings are secured by fixed and floating charges on the assets of the Group.

The carrying amounts of the Group's borrowings, all of which are floating rate financial liabilities, are denominated in the following currencies:

| Currency | Total 2015 £'000 | Weighted average interest rate 2015 | Total 2014 £'000 | Weighted average interest rate 2014 |
|----------|------------------------|---|------------------------|---|
| Sterling | 4,500 | 2.54% | 5,015 | 2.62% |
| Euro | 8,596 | 2.82% | 10,445 | 2.67% |
| | 13,096 | 2.72% | 15,460 | 2.65% |

Borrowing facilities

In May 2013 the Group entered into a new £19.7 million facility until 2018. Half of this loan will be repaid evenly over five years with the balance at maturity. The multi-currency loan was denominated £6 million in Sterling and €16 million in Euros.

Notes to the financial statements continued

for the year ended 31 December 2015

20 Retirement benefit obligations

The Group operates a number of pension schemes. Details of the major schemes are set out below.

Nu-Swift International Pension Scheme

Nu-Swift International Limited operates a funded defined benefit pension scheme, which was closed to new entrants with effect from 1 December 2002 and to further accrual on 30 June 2007, providing benefits based on final pensionable earnings. The assets of the scheme are held separately from those of the Group, being invested with Legal and General Investment Management. The total pension cost of the Group is determined by an independent qualified actuary on the basis of triennial valuations using the projected unit method. The most recent actuarial valuation as at 31 December 2014 showed that the market value of the scheme's assets was £15,061,000 and that the actuarial value of those assets represented 107% of the benefits that had accrued to members. The results of this valuation have been projected to 31 December 2015 and then recalculated using the assumptions set out below which result in a net surplus position of £3,196,000 (2014: £3,283,000). The scheme's assets are stated at their market value at 31 December 2015.

At 31 December 2015 the scheme had a net defined benefit surplus calculated in accordance with IAS 19 using the assumptions set out of £3,196,000 (2014: net defined benefit surplus £3,283,000). The surplus is recognised as it is confirmed that the Group does have an unconditional right to a refund of surplus contributions once all pensions have been applied and the scheme winds up. On this basis no liability for minimum funding requirements has been recognised.

The Group paid contributions to the scheme amounting to £204,000 (2014: £612,000) over the year. These payments were in respect of the recovery plan put in place following the completion of the 2011 valuation. No further contributions were payable with effect from 1 May 2015.

The financial assumptions used to calculate the liabilities of the scheme under IAS 19 are:

| | 2015 | 2014 | 2013 |
|-----------------------------------|------------|------------|------------|
| Discount rate | 3.60% | 3.40% | 4.40% |
| Inflation rate | 2.00–3.00% | 2.10–3.10% | 2.50–3.50% |
| Salary increase rate | n/a | n/a | n/a |
| Increases for pensions in payment | 2.90% | 3.00% | 3.40% |
| Revaluation of deferred pensions | 2.00% | 2.10% | 2.50% |

Assumptions regarding future mortality experience are set based on advice, published statistics and experience in each territory. The average life expectancy in years of a pensioner retiring at age 65 at the Statement of Financial Position date is as follows:

| | 2015 | 2014 |
|--------|------|------|
| Male | 22.1 | 21.3 |
| Female | 24.1 | 23.7 |

The average life expectancy in years of a pensioner retiring at age 65, 20 years after the Statement of Financial Position date, is as follows:

| | 2015 | 2014 |
|--------|------|------|
| Male | 23.4 | 22.6 |
| Female | 25.6 | 25.2 |

The assets in the scheme were:

| | Value at 31 December 2015 £'000 | Percentage of scheme assets 2015 | Value at 31 December 2014 £'000 | Percentage of scheme assets 2014 |
|--|--|---|--|---|
| Equities | 4,375 | 29.5% | 4,238 | 28.17% |
| Bonds | 10,442 | 70.3% | 10,478 | 69.65% |
| Cash | 36 | 0.2% | 328 | 2.18% |
| | 14,853 | | 15,044 | |
| Present value of the scheme's liabilities | (11,657) | | (11,761) | |
| Surplus in the Nu-Swift Scheme recognised in the Statement of Financial Position | 3,196 | | 3,283 | |
| Related deferred tax liability | (1,119) | | (1,149) | |

20 Retirement benefit obligations continued**Analysis of the amount recognised in the Income Statement**

| | 2015 £'000 | 2014 £'000 |
|------------------------|---------------|---------------|
| Interest credit | (115) | (120) |
| Total operating credit | (115) | (120) |

Movement in the defined benefit obligation over the year

| | 2015 £'000 | 2014 £'000 |
|---|---------------|---------------|
| Start of the year | (11,761) | (10,416) |
| Interest cost | (392) | (446) |
| Actuarial gain/(loss) arising from changes in financial assumptions | 369 | (1,263) |
| Actuarial losses arising from changes in demographic assumptions | (359) | (180) |
| Benefits paid | 486 | 544 |
| End of the year | (11,657) | (11,761) |

Movement in the fair value of the plan assets over the year

| | 2015 £'000 | 2014 £'000 |
|--|---------------|---------------|
| Start of the year | 15,044 | 12,840 |
| Interest income | 507 | 566 |
| Return on assets (excluding amount included in net interest expense) | (416) | 1,570 |
| Employer contributions | 204 | 612 |
| Benefits paid | (486) | (544) |
| End of the year | 14,853 | 15,044 |

Analysis of the amount recognised in the Consolidated Statement of Comprehensive Income

| | 2015 £'000 | 2014 £'000 |
|--|---------------|---------------|
| Actual return less expected return on pension scheme assets | (406) | 127 |
| (Loss)/gain recognised in the Consolidated Statement of Comprehensive Income | (406) | 127 |

Sensitivity of the liability value to changes in the principal assumptions

Prior to the effect of deferred tax, the impact of a 0.1% decrease in the inflation rate would be to increase the pension surplus by £35,000; an increase of 0.1% in the inflation rate would decrease the surplus by £42,000. The impact of a 0.1% increase in the discount rate would be to increase the pension surplus by £157,000; a decrease of 0.1% in the discount rate would decrease the surplus by £160,000.

Ansul Pension Scheme

Ansul S.A. operates a number of funded pension schemes, the majority of which are prescribed by the Belgian state. Included within these is a funded pension scheme for which the majority of the Belgian employees are eligible, providing benefits based on final pensionable earnings. The assets of the scheme are held separately from those of the Ansul Group, being invested with Delta Lloyd Life. The total pension cost of the Ansul Group scheme is determined by an independent qualified actuary. The most recent valuation was at 31 December 2013. The scheme's assets are stated at their market value at 31 December 2015.

Expected contributions to retirement benefit obligations for the year ending 31 December 2016 are £106,000. There are no minimum contribution requirements for this scheme.

Notes to the financial statements continued

for the year ended 31 December 2015

20 Retirement benefit obligations continued

Ansul Pension Scheme continued

The financial assumptions used to calculate liabilities of the schemes under IAS 19 are:

| | 2015 | 2014 | 2013 |
|----------------------|-------|-------|-------|
| Discount rate | 2.25% | 1.85% | 3.25% |
| Inflation rate | 2.00% | 2.00% | 2.00% |
| Salary increase rate | 1.00% | 1.00% | 1.00% |

Assumptions regarding future mortality experience are set based on advice, published statistics and experience in each territory. The average life expectancy in years of a pensioner retiring at age 65 at the Statement of Financial Position date is as follows:

| | 2015 | 2014 |
|--------|------|------|
| Male | 21.9 | 21.9 |
| Female | 25.3 | 25.3 |

The average life expectancy in years of a pensioner retiring at age 65, 20 years after the Statement of Financial Position date, is as follows:

| | 2015 | 2014 |
|--------|------|------|
| Male | 22.0 | 22.0 |
| Female | 25.4 | 25.4 |

The assets in the scheme were:

| | Value at 31 December 2015 £'000 | Percentage of scheme assets 2015 | Value at 31 December 2014 £'000 | Percentage of scheme assets 2014 |
|---|--|---|--|---|
| Assets with guaranteed interest with insurer | 1,245 | 100% | 1,305 | 100% |
| Present value of the schemes' liabilities | (2,929) | | (3,148) | |
| Deficit in the Ansul Scheme recognised in the Statement of Financial Position | (1,684) | | (1,843) | |
| Related deferred tax asset | 573 | | 626 | |

Analysis of the amount recognised in the Income Statement

| | 2015 £'000 | 2014 £'000 |
|------------------------|---------------|---------------|
| Current service charge | 195 | 191 |
| Interest charge | 21 | 41 |
| Total operating charge | 216 | 232 |

Movement in the defined benefit obligation over the year

| | 2015 £'000 | 2014 £'000 |
|---|---------------|---------------|
| Start of the year | (3,148) | (2,916) |
| Current service cost | (195) | (191) |
| Interest cost | (45) | (82) |
| Actuarial gain/(loss) arising from changes in financial assumptions | 212 | (1,236) |
| Actuarial losses arising from changes in demographic assumptions | (167) | — |
| Other experience items | 104 | 1,008 |
| Benefits paid | 149 | 50 |
| Exchange movement | 161 | 219 |
| End of the year | (2,929) | (3,148) |

20 Retirement benefit obligations continued**Movement in the fair value of the plan assets over the year**

| | 2015 £'000 | 2014 £'000 |
|------------------------|---------------|---------------|
| Start of the year | 1,305 | 1,238 |
| Return on assets | 24 | 41 |
| Actuarial gain | 14 | 13 |
| Employer contributions | 118 | 132 |
| Benefits paid | (149) | (26) |
| Exchange movements | (67) | (93) |
| End of the year | 1,245 | 1,305 |

Analysis of the amount recognised in the Consolidated Statement of Comprehensive Income

| | 2015 £'000 | 2014 £'000 |
|---|---------------|---------------|
| Actual return less expected return on pension scheme assets | 163 | (191) |
| Actuarial loss recognised in the Consolidated Statement of Comprehensive Income | 163 | (191) |

Sensitivity of the liability value to changes in the principal assumptions

Prior to the effect of deferred tax, the impact of a 0.1% increase in the inflation rate would be to increase the pension deficit by £28,000; a decrease of 0.1% in the inflation rate would decrease the deficit by £25,000. The impact of a 0.1% increase in the discount rate would be to decrease the pension deficit by £35,000; a decrease of 0.1% in the discount rate would increase the deficit by £40,000.

UK Stakeholder Scheme

The contributions paid by the Group to the defined contribution stakeholder pension schemes in operation within the UK amounted to £285,000 in the year ended 31 December 2015 (2014: £233,000).

Total pension costs charged to the Income Statement for all schemes in which the Group participates amounted to £1,253,000 for the year ended 31 December 2015 (2014: £1,312,636) and were wholly recognised in administrative expenses.

21 Provisions for liabilities and charges

| | Current | | Non-current | |
|--------------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------|
| | Environmental provision £'000 | Rectification provision £'000 | Environmental provision £'000 | Total £'000 |
| At 1 January 2015 | — | 4 | 217 | 221 |
| Movement in the year | 35 | — | (35) | — |
| Amount provided in the year | — | — | 15 | 15 |
| Provision at 31 December 2015 | 35 | 4 | 197 | 236 |

The rectification provision relates to after sales costs. The environmental provision relates to costs associated with soil contamination. The cost of the decontamination is expected to be spread over a number of years and the provision is based on quotes received from contractors.

Notes to the financial statements continued

for the year ended 31 December 2015

22 Called up share capital

| | 2015 Number | 2015 £'000 | 2014 Number | 2014 £'000 |
|---|----------------|---------------|----------------|---------------|
| Authorised | | | | |
| Ordinary shares of 1p each | 67,539,188 | 675 | 67,539,188 | 675 |
| Allotted, called up and fully paid | | | | |
| Ordinary shares of 1p each | 12,261,477 | 123 | 12,261,477 | 123 |

There are no outstanding options at 31 December 2015.

The mid-market price of the Company's shares at 31 December 2015 was £21.00 and the range during the year was £21.00 to £23.35.

Share premium account

| | £'000 |
|---|------------|
| At 1 January 2015 and 31 December 2015 | 344 |

Capital redemption reserve

| | £'000 |
|---|----------|
| At 1 January 2015 and 31 December 2015 | 1 |

The capital redemption reserve has arisen following the purchase of own shares.

23 Reconciliation of operating profit to cash generated from operations

| | 2015 £'000 | 2014 £'000 |
|--|----------------|---------------|
| Operating profit | 18,478 | 19,681 |
| Depreciation of property, plant and equipment | 2,027 | 2,043 |
| Amortisation of intangible assets | 2,686 | 2,214 |
| Profit on disposal of property, plant and equipment | (11) | (51) |
| Loss on disposal of intangible assets | — | 107 |
| Exchange differences | (415) | (586) |
| Difference between pension charge and cash contributions | (128) | (553) |
| (Increase)/decrease in trade and other receivables | (37) | 1,631 |
| (Decrease)/increase in trade and other payables | (2,270) | 176 |
| Increase in provisions | 15 | 217 |
| Increase in inventories | (130) | (541) |
| Cash generated from operations | 20,215 | 24,338 |

Disposal of assets

| | 2015 £'000 | 2014 £'000 |
|---|---------------|---------------|
| Net book value | 225 | 191 |
| Profit on disposal of property, plant and equipment | 11 | 51 |
| Proceeds | 236 | 242 |

24 Reconciliation of movement in net funds/(debt)

| | At 1 January 2015 £'000 | Cash flow £'000 | Non-cash items £'000 | At 31 December 2015 £'000 |
|--------------------------|----------------------------------|-----------------------|----------------------------|------------------------------------|
| Cash in hand and at bank | 20,978 | (474) | (768) | 19,736 |
| Debt due within one year | (1,782) | — | 103 | (1,679) |
| Debt due after one year | (13,678) | 1,663 | 598 | (11,417) |
| Total | 5,518 | 1,189 | (67) | 6,640 |

Reconciliation of decrease in cash to movement in net (funds)/debt

| | 2015 £'000 | 2014 £'000 |
|------------------------------------|---------------|---------------|
| (Decrease)/increase in cash | (474) | 1,514 |
| Decrease in debt | 1,663 | 1,855 |
| Change in net debt from cash flows | 1,189 | 3,369 |
| Non-cash changes | (67) | (277) |
| Net debt at 1 January | 5,518 | 2,426 |
| Net funds at 31 December | 6,640 | 5,518 |

Non-cash changes relate to foreign exchange movements, amortisation of finance arrangement costs and the movement between current and non-current debt in the year.

25 Commitments and contingent liabilities

The Group leases various properties and vehicles under non-cancellable operating lease agreements. The lease agreements are between one and five years and the majority of lease agreements are renewable at the end of the lease period at market rates.

The lease expenditure charged to the Income Statement during the year is disclosed in note 7.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

| | Property | | Plant, machinery and equipment | |
|--------------------------------------|---------------|---------------|-----------------------------------|---------------|
| | 2015 £'000 | 2014 £'000 | 2015 £'000 | 2014 £'000 |
| Within one year | 732 | 830 | 722 | 952 |
| Between two and five years inclusive | 492 | 720 | 682 | 726 |
| | 1,224 | 1,550 | 1,404 | 1,678 |

The Group had no contingent liabilities, no other financial commitments and no capital commitments at 31 December 2015 (2014: £Nil).

Notes to the financial statements continued

for the year ended 31 December 2015

26 Acquisitions

On 1 January 2015 the Group purchased the entire issued share capital of Braho Brandpreventie B.V. and Record Brandbeveiliging B.V., companies incorporated in and which operate in the Netherlands. On 13 October 2015 the Group purchased the entire share capital of DC Security B.V.B.A., a company incorporated in and which operates in Belgium. As these acquisitions are individually considered immaterial to the Group the disclosure of the book and provisional fair values of net assets acquired are given in aggregate as follows:

| | Book and provisional fair values £'000 |
|------------------------------------|---|
| Property, plant and equipment | 120 |
| Goodwill | 29 |
| Service contracts | 1,264 |
| Inventories | 65 |
| Receivables | 253 |
| Cash and cash equivalents | 202 |
| Payables | (394) |
| Fair value of net assets acquired | 1,539 |
| Goodwill | 204 |
| Total consideration | 1,743 |
| Cash and cash equivalents acquired | (202) |
| Net consideration | 1,541 |

Satisfied by:

| | Provisional consideration £'000 |
|------------------------|------------------------------------|
| Cash | 1,301 |
| Deferred consideration | 240 |
| | 1,541 |

The revenue and net profit of Braho Brandpreventie since the acquisition date included in the Consolidated Statement of Comprehensive Income for the year ended 31 December 2015 were £463,000 and £91,000 respectively. These results include a full year as the acquisition was effective on 1 January 2015.

The revenue and net profit of Record Brandbeveiliging since the acquisition date included in the Consolidated Statement of Comprehensive Income for the year ended 31 December 2015 were £849,000 and £43,000 respectively. These results include a full year as the acquisition was effective on 1 January 2015.

The revenue and net profit of DC Security since the acquisition date included in the Consolidated Statement of Comprehensive Income for the year ended 31 December 2015 were £144,000 and £15,000 respectively. On a pro rata basis the revenue and profit would have been expected to be £576,000 and £84,000 had the acquisition taken place on 1 January 2015.

In addition, the Group acquired contracts from a number of companies and businesses for a total consideration of £785,000. The Directors considered that the consideration equated to the fair value of the contracts acquired and have recognised an intangible asset accordingly. The Group monitors contract retention rates for any indication of impairment.

Due to the integration of these companies and businesses acquired during the year into the existing businesses and operations, the Directors are unable to determine the contribution of the acquisitions to the revenue and net profit of the Group for the year ended 31 December 2015 nor are they able to determine what the impact on revenues and profit of the Group for the year ended 31 December 2015 would have been had the acquisitions taken place on 1 January 2015.

27 Group undertakings

The subsidiary undertakings of the Parent Company, in which the Group wholly owns the entire issued and voting ordinary share capital, are as follows:

| | Activity | Country of registration or incorporation and operation |
|---|-----------------|--|
| Alarm Masters S.A. | Fire protection | Belgium |
| All-Protec N.V. | Fire protection | Belgium |
| A.L.P.I. sarl | Fire protection | Luxembourg |
| Ansul B.V. | Fire protection | The Netherlands |
| Ansul Solutions B.V. | Fire protection | The Netherlands |
| Ansul S.A. | Fire protection | Belgium |
| Ansul Belgium S.A. | Fire protection | Belgium |
| ASCO Extinguishers Company Limited | Fire protection | Scotland and England |
| Braco B.V.B.A. | Fire protection | Belgium |
| Blesberger G.m.b.H. | Fire protection | Austria |
| Braho Brandpreventie B.V. | Fire protection | The Netherlands |
| DC Security B.V.B.A. | Intruder alarms | Belgium |
| Dimex Technics S.A. | Fire protection | Belgium |
| Fire Protection Holdings Limited | Sub-holding | England |
| GC Fire Protection Limited | Fire protection | England |
| GFA Premier Limited | Fire protection | England |
| Hoyles Limited | Sub-holding | England |
| Hoyles Fire & Safety Limited | Fire protection | England |
| Importex S.A. | Fire protection | Belgium |
| Le Chimiste Sprl | Fire protection | Belgium |
| Luke & Rutland Limited | Fire protection | England |
| L. W. Safety Limited | Fire protection | England |
| NL Brandbeveiliging B.V. | Fire protection | The Netherlands |
| Noris Feuerschutzgerate G.m.b.H. | Fire protection | Austria |
| Nu-Swift (Engineering) Limited | Fire protection | England |
| Nu-Swift Brandbeveiliging B.V. | Fire protection | The Netherlands |
| Nu-Swift International Limited | Fire protection | England |
| LS UK Fire Group Limited | Sub-holding | England |
| PMP Manus G.m.b.H. | Fire protection | Austria |
| Prevent Brandbeveiliging B.V. | Fire protection | The Netherlands |
| Pyrotec Fire Detection Limited | Fire protection | England |
| Pyrotec Fire Protection Limited | Fire protection | England |
| Record Brandbeveiliging B.V. | Fire protection | The Netherlands |
| Security Alarm Service Company Sprl | Fire protection | Belgium |
| Somati FIE N.V. | Fire protection | Belgium |
| Total Fire-Stop G.m.b.H. | Fire protection | Austria |
| Tunbridge Wells Fire Protection Limited | Fire protection | England |
| TVF (UK) Limited | Fire protection | England |

Notes to the financial statements continued

for the year ended 31 December 2015

27 Group undertakings continued

With the exception of the Parent Company's 100% interest in Fire Protection Holdings Limited, the shares in the remaining Group undertakings are held by subsidiary undertakings.

In order to comply with the Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 the Group is no longer able to take advantage of Section 410 of the Companies Act 2006 to disclose only its principal subsidiaries in the financial statements. Additional wholly owned subsidiaries, all of which are dormant are:

Assured Fire Protection & Safety Limited, C & T Fire Limited, FDSA Fire Protection Limited, LS Fire Group Limited, Phoenix Fire & Safety Limited, Professional Fire Protection Limited, United Fire Alarms Limited, 1st Quote Fire Limited, Cowley Fire Limited, BWH Manufacturing Limited, Fire Reliant Limited, General Fire Appliance Co. Limited, Green Cross Limited, L & P Fire Safety Equipment Limited, LS Fire Group Limited, MK Fire Limited, Premier Fire Limited, Nu-Swift Limited, Swift-N-Sure (Fire Appliances) Limited, Thames Valley Fire Protection Limited, Triangle Fire Limited, TVF Alarms Limited, TVF Systems Services Limited, Ulysses Fire Services Limited, United Fire Alarms Limited and Wilts Fire Limited.

All of these entities have been included within the consolidation.

28 Ultimate parent undertaking and controlling party

The Parent Company regards EOI Fire SARL, a company registered in Luxembourg, as its ultimate parent undertaking through its 80% interest in London Security plc. The Directors regard the Eden and Ariane Trustee companies as the ultimate controlling parties through their controlling interest in EOI Fire SARL and Tristar Fire Corp.

29 Related party transactions

During the year the Group incurred costs amounting to £1,687,000 (2014: £1,874,000) in respect of the Executive Directors including the Head Office and other expenses under the Services Agreement referred to in the Directors' Remuneration Report.

The Group recharged and was reimbursed £210,000 (2014: £210,000) in relation to the Service Agreement by Andrews Sykes.

The balance disclosed in note 15 as being due from related undertakings is with EFS Property Holdings Ltd., a company controlled by J.G. Murray. The amount outstanding at the year end relates entirely to transactions in the year.

The Group made sales to Andrews Sykes in relation to fire protection in the year of £9,171 (2014: £10,180).

The Group made sales to fire companies in Switzerland controlled by J.G. Murray in the year of £310,352 (2014: £430,354).

The Group incurred £221,000 (2014: £188,000) of expenditure on behalf of J.G. Murray during the year. This was reimbursed in the year.

30 Post balance sheet events

Subsequent to the year end the Group has completed the acquisition of further service contracts for a total of £1,042,000 (2014: £1,278,427).

Parent Company balance sheet

as at 31 December 2015

| | Notes | 2015 £'000 | 2014 £'000 |
|--|-------|----------------|---------------|
| Fixed assets | | | |
| Tangible assets | 2 | 306 | 356 |
| Investments | 3 | 49,804 | 49,804 |
| | | 50,110 | 50,160 |
| Current assets | | | |
| Debtors | 4 | 11,984 | 14,560 |
| Cash at bank and in hand | | 1,799 | 1,307 |
| | | 13,783 | 15,867 |
| Creditors: amounts falling due within one year | | | |
| Finance debt | 5 | (575) | (575) |
| Creditors | 6 | (8,846) | (9,978) |
| | | (9,421) | (10,553) |
| Net current assets | | 4,362 | 5,314 |
| Total assets less current liabilities | | 54,472 | 55,474 |
| Creditors: amounts falling due after more than one year | | | |
| Finance debt | 5 | (3,866) | (4,440) |
| Derivative financial instruments | 8 | (6) | (5) |
| | | (3,872) | (4,445) |
| Net assets | | 50,600 | 51,029 |
| Capital and reserves | | | |
| Called up share capital | 9 | 123 | 123 |
| Share premium account | | 344 | 344 |
| Capital redemption reserve fund | | 1 | 1 |
| Profit and loss account | | 50,132 | 50,561 |
| Equity shareholders' funds | | 50,600 | 51,029 |

The registered number of the Company is 53417.

The notes on pages 43 to 48 are an integral part of these financial statements.

The financial statements on pages 41 to 48 were approved by the Board of Directors on 28 April 2016 and were signed on its behalf by:

J.G. Murray
Chairman
28 April 2016

Statement of changes in equity

for the year ended 31 December 2015

| | Share capital £'000 | Share premium £'000 | Capital redemption £'000 | Profit and loss account £'000 | Total £'000 |
|--|---------------------------|---------------------------|--------------------------------|--|----------------|
| At 1 January 2014 | 123 | 344 | 1 | 49,333 | 49,801 |
| Effect of change in accounting policy (note 13) | — | — | — | 109 | 109 |
| Balance at 1 January 2014 restated | — | — | — | 49,442 | 49,910 |
| Total comprehensive income for the year | | | | | |
| Profit for the financial period | — | — | — | 8,721 | 8,721 |
| Contributions by and distributions to owners of the Company: | | | | | |
| – dividends | — | — | — | (7,602) | (7,602) |
| At 1 January 2015 | 123 | 344 | 1 | 50,561 | 51,029 |
| Total comprehensive income for the year | | | | | |
| Profit for the financial period | — | — | — | 7,908 | 7,908 |
| Contributions by and distributions to owners of the Company: | | | | | |
| – dividends | — | — | — | (8,337) | (8,337) |
| At 31 December 2015 | 123 | 344 | 1 | 50,132 | 50,600 |

Notes to the Parent Company financial statements

for the year ended 31 December 2015

1 Principal accounting policies

Basis of accounting

London Security plc is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). The presentation currency of these financial statements is Sterling.

An explanation of how the transition to FRS 102 has affected financial position and financial performance of the Company is provided in note 13.

In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- > reconciliation of the number of shares outstanding from the beginning to end of the period;
- > Statement of Cash Flow and related notes; and
- > key management personnel compensation.

As the consolidated financial statements of London Security plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- > certain disclosures required by FRS 102.26 "Share based payments"; and,
- > the disclosures required by FRS 102.11 "Basic financial instruments" and FRS 102.12 "Other financial instrument issues" in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

These Parent Company financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the UK. The Directors have prepared these financial statements on the fundamental assumption that the Company is a going concern and will continue to trade for at least 12 months following the date of approval of the financial statements. In determining whether the Company's accounts should be prepared on a going concern basis the Directors have considered the factors likely to affect the future performance. The Directors have reviewed trading and cash flow forecasts as part of the going concern assessment and based on this have the expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

A summary of the more important accounting policies, which have been consistently applied, is set out below.

Tangible fixed assets

The cost of tangible fixed assets is their purchase cost or internal production costs, together with any incidental costs of acquisition.

Depreciation is provided for on all tangible fixed assets on the straight line method at rates calculated to write off the cost or valuation less estimated residual values over the estimated lives of the assets. The annual rates are as follows:

Share in aircraft 5%

Fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. Any impairment in value is charged to the profit and loss account.

Investments

Investments in subsidiary undertakings and unlisted investments are included at cost unless, in the opinion of the Directors, an impairment has occurred, in which case the deficiency is provided for and charged in the Parent Company's profit and loss account.

Deferred tax

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes to the parent company financial statements continued

for the year ended 31 December 2015

1 Principal accounting policies continued

Finance arrangement costs and interest rate caps

Costs of arranging bank loans and interest rate caps are treated as a deduction from the loan liability and are amortised over the lives of the relevant loans.

Derivative financial instruments

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

Dividend distribution

Dividend distribution to the Parent Company's shareholders is recognised as a liability in the financial statements when paid, in the case of interim dividends, or in the period in which the dividends are approved by the Parent Company's shareholders, in the case of final dividends.

2 Tangible assets

Share in
aircraft
£'000

| | |
|--|--------------|
| Cost | |
| At 1 January and 31 December 2015 | 1,019 |
| Depreciation | |
| At 1 January 2015 | 663 |
| Charge for the year | 50 |
| At 31 December 2015 | 713 |
| Net book amount | |
| At 31 December 2015 | 306 |
| At 31 December 2014 | 356 |

3 Investments

Shares in
subsidiary
undertakings
£'000

| | |
|--|---------------|
| Cost | |
| At 1 January and 31 December 2015 | 49,804 |

The Directors believe that the carrying value of the investments is supported by their underlying net assets.

A full list of subsidiary undertakings is provided in note 27 of the Group accounts.

4 Debtors

| | 2015 £'000 | 2014 £'000 |
|--|---------------|---------------|
| Amounts falling due within one year | | |
| Amounts owed by subsidiary undertakings | 11,567 | 14,069 |
| Taxation recoverable | 417 | 491 |
| | 11,984 | 14,560 |

Amounts owed by subsidiary undertakings are unsecured, interest free and have no fixed date of repayment and are repayable on demand.

5 Finance debt

| | 2015 £'000 | 2014 £'000 |
|---|---------------|---------------|
| Non-current (amounts falling due in more than one year) | | |
| Bank borrowings: | | |
| – in one to two years | 575 | 575 |
| – between two and five years | 3,291 | 3,865 |
| | 3,866 | 4,440 |
| Current (amounts falling due within one year or on demand) | | |
| Bank borrowings | 575 | 575 |
| Total borrowings | 4,441 | 5,015 |

Interest rates (including the bank's margin) on the bank loans in existence during the year averaged 2.5% (2014: 2.6%) per annum. Bank loans are stated net of unamortised finance arrangement costs of £59,000 (2014: £85,000), of which £34,000 (2014: £60,000) is to be amortised after more than one year.

The Directors consider that the fair values of the bank loans are not materially different from their book values.

The carrying amounts of the Company's borrowings, all of which are floating rate financial liabilities, are denominated in the following currencies:

| | Total 2015 £'000 | Weighted average interest rate 2015 | Total 2014 £'000 | Weighted average interest rate 2014 |
|-----------------|------------------------|---|------------------------|---|
| Currency | | | | |
| Sterling | 4,441 | 2.5% | 5,015 | 2.6% |
| | 4,441 | 2.5% | 5,015 | 2.6% |

6 Creditors: amounts falling due within one year

| | 2015 £'000 | 2014 £'000 |
|---|---------------|---------------|
| Amounts owed to subsidiary undertakings | 8,598 | 9,751 |
| Other creditors | 93 | 92 |
| Accruals | 155 | 135 |
| | 8,846 | 9,978 |

Amounts due to subsidiary undertakings are unsecured, interest free and repayable on demand.

Notes to the parent company financial statements continued

for the year ended 31 December 2015

7 Deferred tax

The deferred tax asset comprises:

| | Amount recognised | | Amount unrecognised | |
|--------------------|-------------------|---------------|---------------------|---------------|
| | 2015 £'000 | 2014 £'000 | 2015 £'000 | 2014 £'000 |
| Losses | — | — | (1,028) | (1,142) |
| Deferred tax asset | — | — | (1,028) | (1,142) |

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences will reverse, based on tax rates and laws substantively enacted at the Balance Sheet date, being a rate of 18%.

8 Derivative financial instruments

| | 2015 | | 2014 | |
|--------------------------|-----------------|----------------------|-----------------|----------------------|
| | Assets £'000 | Liabilities £'000 | Assets £'000 | Liabilities £'000 |
| Interest rate agreements | — | 6 | — | 5 |

The Company has entered into an interest rate agreements fixing LIBOR to 1.05%. The agreements took effect from May 2013 and remain in effect until the loans are repaid in 2018. The liability represents the forecast increase in interest payable as a result of these agreements over the remaining life of the loans at the year end. The fair value at the year end is calculated based on observable interest rates.

9 Called up share capital

| | 2015 | 2015 | 2014 | 2014 |
|---|------------|-------|------------|-------|
| | Number | £'000 | Number | £'000 |
| Authorised | | | | |
| Ordinary shares of 1p each | 67,539,188 | 675 | 67,539,188 | 675 |
| Allotted, called up and fully paid | | | | |
| Ordinary shares of 1p each | 12,261,477 | 123 | 12,261,477 | 123 |

There were no outstanding options at 31 December 2015.

The mid-market price of the Company's shares at 31 December 2015 was £21.00 and the range during the year was £21.00 to £23.35.

The Parent Company had no employees during the year (2014: Nil).

The remuneration paid to the Parent Company auditor in respect of the audit of the Group and Parent Company financial statements for the year ended 31 December 2015 is set out in note 7 to the Group financial statements.

The Board is recommending the payment of a final dividend in respect of the year ended 31 December 2015 of £0.40 per ordinary share (2014: £0.31).

10 Commitments and contingent liabilities

The Parent Company had no financial or other commitments at 31 December 2015 (2014: £Nil).

The Parent Company was party to a cross guarantee under which it guaranteed the borrowings of certain of its subsidiary undertakings. At 31 December 2015 this guarantee amounted to £8,824,000 (2014: £10,543,000). No loss is expected to arise from this guarantee.

11 Ultimate parent undertaking and controlling party

The Parent Company regards EOI Fire SARL, a company registered in Luxembourg, as its ultimate parent undertaking through its 80% interest in London Security plc. The Directors regard the Eden and Ariane Trustee companies as the ultimate controlling parties through their controlling interest in EOI Fire SARL and Tristar Fire Corp.

12 Related party transactions

During the year the Company incurred costs amounting to £877,000 (2014: £863,000) in respect of the Executive Directors, including the Head Office and other expenses under the Services Agreement referred to in the Directors' Remuneration Report.

The Company recharged and was reimbursed £210,000 (2014: £210,000) in relation to the Service Agreement by Andrews Sykes.

The Company incurred £221,000 (2014: £188,000) of expenditure on behalf of J.G. Murray during the year. This was reimbursed in the year.

The Company has taken advantage of the exemption available under FRS 102 "Related party disclosures" from disclosing transactions between related parties within the London Security plc group of companies.

13 Explanation of transition to FRS 102 from old UK GAAP

As stated above, these are the Company's first financial statements prepared in accordance with FRS 102.

The accounting policies set out in notes 1 to 12 have been applied in preparing the financial statements for the year ended 31 December 2015 and the comparative information presented in these financial statements for the year ended 31 December 2014.

In preparing its FRS 102 balance sheet, the Company has adjusted amounts reported previously in financial statements prepared in accordance with its old basis of accounting UK GAAP. An explanation of how the transition from UK GAAP to FRS 102 has affected the Company's financial position and financial performance is set out in the following tables.

Reconciliation of equity

| | Notes | 1 January 2014 | | | 31 December 2014 | | |
|--|-------|------------------|--|------------------|------------------|--|------------------|
| | | UK GAAP £'000 | Effect of transition to FRS 102 £'000 | FRS 102 £'000 | UK GAAP £'000 | Effect of transition to FRS 102 £'000 | FRS 102 £'000 |
| Fixed assets | | | | | | | |
| Tangible fixed assets | | 408 | | 408 | 356 | | 356 |
| Investments | | 58,756 | | 58,756 | 49,804 | | 49,804 |
| Derivative financial instruments | a | — | 109 | 109 | — | | — |
| | | 59,164 | 109 | 59,273 | 50,160 | | 50,160 |
| Current assets | | | | | | | |
| Debtors | | 7,293 | | 7,293 | 14,560 | | 14,560 |
| Cash at bank and in hand | | 1,321 | | 1,321 | 1,307 | | 1,307 |
| | | 8,614 | | 8,614 | 15,867 | | 15,867 |
| Creditors: amounts due within one year | | (12,962) | | (12,962) | (10,553) | | (10,553) |
| Net current (liabilities)/assets | | (4,348) | | (4,348) | 5,314 | | 5,314 |
| Creditors: amounts falling due after more than one year | b | (5,015) | | (5,015) | (4,440) | (5) | (4,445) |
| Net assets | | 49,801 | 109 | 49,910 | 51,034 | (5) | 51,029 |
| Capital and reserves | | | | | | | |
| Called up share capital | | 123 | | 123 | 123 | | 123 |
| Share premium account | | 344 | | 344 | 344 | | 344 |
| Capital redemption reserve fund | | 1 | | 1 | 1 | | 1 |
| Profit and loss account | | 49,333 | 109 | 49,442 | 50,566 | (5) | 50,561 |
| Shareholders' equity | | 49,801 | 109 | 49,910 | 51,034 | (5) | 51,029 |

a) Recognition of fair value of interest rate swaps. Assets recognised at 1 January 2014.

b) Recognition of fair value of interest rate swaps. Liability recognised at 31 December 2014.

Notes to the parent company financial statements continued

for the year ended 31 December 2015

13 Explanation of transition to FRS 102 from old UK GAAP continued

Reconciliation of profit and loss account and equity from old UK GAAP to FRS 102

| | Profit for the year ended 31 December 2014 £'000 | Equity as at 31 December 2014 £'000 | Equity as at 1 January 2014 £'000 |
|--|--|--|--|
| Amount under old UK GAAP | 8,835 | 51,034 | 49,801 |
| Recognition of financial derivative | — | (5) | 109 |
| Change in fair value of financial derivative | (114) | — | — |
| Amount under FRS 102 | 8,721 | 51,029 | 49,910 |

Notice of Annual General Meeting

NOTICE IS GIVEN THAT the Annual General Meeting of London Security plc (the "Company") will be held at 10 Bruton Street, 5th Floor, London W1J 6PX on 22 June 2016 at 11 am for the following purposes:

You will be asked to consider the following resolutions as ordinary resolutions:

1. To receive the financial statements for the year ended 31 December 2015 and the Reports of the Directors and auditor and the Directors' Remuneration Report for that period.
2. To re-elect J-J. Murray as a Director, who retires by rotation under article 23.2 of the Company's articles of association.
3. To re-elect X. Mignolet as a Director, who retires by rotation under article 23.2 of the Company's articles of association.
4. To re-elect M-C. Leon as a Director, who retires by rotation under article 23.2 of the Company's articles of association.
5. To declare a final dividend in respect of 2015 of £0.40 per ordinary share.
6. That KPMG LLP be re-appointed as auditor of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting at which accounts are laid before the Company and that its remuneration be fixed by the Directors.
7. That the Directors be generally and unconditionally authorised in accordance with Section 549 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot relevant securities (as defined in Section 550 of the Act) up to an aggregate nominal value equal to the whole of the authorised but unissued share capital of the Company immediately following the passing of this resolution provided that such authority shall (unless and to the extent previously revoked, varied or renewed by the Company in general meeting) expire at the conclusion of five years from the date this resolution is passed provided that such authority shall allow the Company to make an offer or enter into an agreement which would or might require relevant securities to be allotted after the expiry of such authority and the Directors may allot relevant securities in pursuance of any such offer or agreement as if the authority conferred by this resolution had not expired.

You will be asked to consider the following resolutions as special resolutions:

8. That, subject to the passing of resolution 7 above, the Directors be and are empowered pursuant to Section 570 of the Act to allot equity securities (within the meaning of Section 564 of the Act) of the Company for cash pursuant to the authority conferred by resolution 7 above as if Section 561 of the Act did not apply to such allotment, provided that this power shall be limited to:
 - (i) the allotment of equity securities in connection with or pursuant to an offer by way of rights to the holders of ordinary shares and other persons entitled to participate in such offer in proportion (as nearly as may be) to their respective holdings of ordinary shares, subject only to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of any territory or the regulations or requirements of any regulatory body or any stock exchange in any territory; and
 - (ii) the allotment (other than pursuant to (i) above) of equity securities up to an aggregate nominal amount of £6,131 and such power shall expire on the date of the next Annual General Meeting of the Company or 15 months after the date of the passing of this resolution (whichever is the earlier) but so that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant to such an offer or agreement as if the power conferred by this resolution had not expired.

Notice of Annual General Meeting continued

9. That the Company be and is generally and unconditionally authorised for the purposes of Section 701 of the Act to make one or more market purchases (as defined in Section 701(2) of the Act) on the London Stock Exchange of ordinary shares of 1 pence each in the capital of the Company ("ordinary shares") provided that:
- (i) the maximum aggregate number of ordinary shares authorised to be purchased is 500,000 shares;
 - (ii) the minimum price which may be paid for such shares is 1 pence per share;
 - (iii) the maximum price (exclusive of expenses) which may be paid for such shares is not more than 5% above the average of the middle market quotations for the Company's ordinary shares derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the purchase of the ordinary shares is contracted to take place;
 - (iv) the authority conferred shall expire at the conclusion of the next Annual General Meeting of the Company or 15 months after the passing of this resolution (whichever is the earlier); and
 - (v) the Company may make a contract to purchase its own shares under the authority conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of its own shares in pursuance of any such contract.

By order of the Board

R. Pollard
Company Secretary

28 April 2016

Registered office

Premier House
2 Jubilee Way
Elland
West Yorkshire HX5 9DY

Notes

1. If you are a member of the Company you are entitled to appoint one or more proxies to attend, speak and vote at the Meeting and you should have received a form of proxy with the Notice of Meeting. You can appoint a proxy using the procedures set out in these notes and the notes in the form of proxy.
2. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the form of proxy are set out in the notes to the form of proxy.
3. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, fill out a copy of the accompanying form of proxy for each proxy. Multiple proxy appointments should be returned in the same envelope.
4. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

Appointment of proxy using hard copy proxy form

5. The notes to the form of proxy explain how to direct your proxy how to vote on each resolution or withhold their vote. To appoint a proxy using the form of proxy, the form must be:
 - (a) completed and signed;
 - (b) sent or delivered to Capita Asset Services, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU; and
 - (c) received by Capita Asset Services no later than 48 hours before the time of the Meeting.

In the case of a member which is a company, the form of proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the form of proxy is signed (or a duly certified copy) of such power or authority must be included with the form of proxy.

Notes continued**Appointment of proxy by joint members**

6. In the case of appointment of a proxy by joint shareholders, the signature of any one of them will suffice, but if a holder other than the first-named holder signs, it will help the registrars if the name of the first-named holder is given.

Changing proxy instructions

7. To change your proxy instructions, simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

8. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Capita Asset Services, Proxy Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by Capita Asset Services no later than 48 hours before the Meeting.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Issued shares and total voting rights

9. As at 11 am on 28 April 2016, the Company's issued share capital comprised 12,261,477 shares of 1 pence each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 11 am on 28 April 2016 was 12,261,477.

Documents on display

10. The register of Directors' interests will be available for inspection at the registered office of the Company from 25 April 2016 until the time of the Meeting and for at least 15 minutes prior to the Meeting and during the Meeting.

Communication

11. Except as provided above, members who have general queries about the Meeting should use the following method of communication (no other methods of communication will be accepted):

- (a) calling 01422 372852;
- (b) you may not use any electronic address provided either:
 - (i) in this Notice of Annual General Meeting; or
 - (ii) any related documents (including the form of proxy),
 to communicate with the Company.

Group companies

United Kingdom

Asco Extinguishers Company Limited

Unit 1.1
Festival Court
Brand Place
Glasgow G51 1DR

Tel: 0141 427 1144
Fax: 0141 427 6644
Email: customer.service@asco.uk.com

Website: www.asco.uk.com

GC Fire Protection Limited

Premier House
Jubilee Way
Elland
West Yorkshire HX5 9DY

Tel: 0208 391 7310
Fax: 01422 314 311
Email: customer.service@gcfireprotection.co.uk

Website: www.gcfireprotection.co.uk

GFA Premier Limited

Premier House
Jubilee Way
Elland
West Yorkshire HX5 9DY

Tel: 01422 377 521
Fax: 01422 377 524
Email: customer.service@gfapremier.co.uk

Hoyles Fire & Safety Limited

Premier House
Jubilee Way
Elland
West Yorkshire HX5 9DY

Tel: 01422 314 351
Fax: 01422 314 311
Email: customer.service@hoyles.co.uk

Website: www.hoyles.co.uk

L. W. Safety Limited

56/69 Queens Road
High Wycombe
Buckinghamshire HP13 6AH

Tel: 01422 314 350
Fax: 01422 314 311
Email: customer.service@lwsafety.co.uk

Website: www.lwsafety.co.uk

MK Fire Limited

56/69 Queens Road
High Wycombe
Buckinghamshire HP13 6AH

Tel: 01494 769 744
Fax: 01494 465 378
Email: customer.service@mkfire.co.uk

Website: www.mkfire.co.uk

Nu-Swift International Limited

Premier House
Jubilee Way
Elland
West Yorkshire HX5 9DY

Tel: 01422 372 852
Fax: 01422 379 569
Email: customer.service@nu-swift.co.uk

Website: www.nu-swift.co.uk

Pyrotec Fire Detection Limited Pyrotec Fire Protection Limited

Caburn Enterprise Park
Ringmer
East Sussex BN8 5NP

Tel: 0800 634 9953
Email: sales@pyrotec.co.uk
Website: www.pyrotec.co.uk

Tunbridge Wells Fire Protection Limited

Caburn Enterprise Park
Ringmer
East Sussex BN8 5NP

Tel: 01825 767 600
Email: customer.service@twfp Ltd.co.uk

Website: www.twfp Ltd.co.uk

TVF (UK) Limited

56/69 Queens Road
High Wycombe
Buckinghamshire HP13 6AH

Tel: 01494 450 641
Fax: 01494 465 378
Email: customer.service@tvf Ltd.co.uk

Website: www.tvf Ltd.co.uk

Belgium

Alarm Masters S.A.

50, Z.I. Research Park
B-1731 Zellik

Tel: 00 32 5237 3409
Fax: 00 32 5237 4327
Email: info@alarmmasters.be
Website: www.alarmmasters.be

All-Protec N.V.

Bogaertstraat 16
9910 Knesslare

Tel: 00 32 9375 2044
Fax: 00 32 9374 6895
Email: info@all-protec.be

Ansul S.A.

Ansul Belgium S.A.

Industrialaan 35
B-1702 Groot-Bijgaarden

Tel: 00 32 2467 7211
Fax: 00 32 2466 4456
Email: mail@ansul.be
Website: www.ansul.be

Dimex Technics S.A.

42 Rue de l'Eglise
4710 Lontzen Herbesthal

Tel: 00 32 8789 0401
Fax: 00 32 8788 2737
Email: info@dimex-technics.be

Importex S.A.

42 Rue de l'Eglise
4710 Lontzen Herbesthal

Tel: 00 32 8788 0242
Fax: 00 32 8788 3766
Email: info@importex.be

Security Alarm Service Company Sprl

42 Rue de l'Eglise
4710 Lontzen Herbesthal

Tel: 00 32 86 45 67 89
Fax: 00 32 86 43 41 41
Email: info@securityalarmservice.be
Website: www.securityalarmservice.be

Somati FIE N.V.

Industrielaan 19a
9320 Erembodegem

Tel: 00 32 5385 2222
Fax: 00 32 5385 2221
Email: info@somatifie.be
Website: www.somatifie.be

Le Chimiste Sprl

Avenue Marcator 1
1300 Wavre

Tel: 00 32 10 86 84 19
Fax: 00 32 10 24 62 37
Email: info@lechimiste.be

Braco B.V.B.A.

Affligemdreef12
9300 Aalst

Tel: 00 32 5321 4570
Fax: 00 32 5377 6383
Email: info@bracofireprotection.be

DC Security B.V.B.A.

Industriepark 10
2235 Hulshout

Tel: 00 32 15 22 55 70
Email: info@dcsecurity.be
Website: www.dcsecurity.be

Luxembourg

A.L.P.I. sarl

9 Rue du Chemin de Fer
8057 Bertrange

Tel: 00 352 26 31 30 13
Fax: 00 352 26 31 30 14
Email: alpi@pt.lu
Website: www.alpi.lu

The Netherlands

Ansul B.V.

Ansul Solutions B.V.

Platinastraat 15
8211 AR Lelystad

Tel: 00 31 320 240864
Fax: 00 31 320 247707
Email: info@ansul.nl
Website: www.ansul.nl

Nu-Swift Brandbeveiliging B.V.

Ringoven 45
6826 TP Arnhem

Tel: 00 31 263 630330
Fax: 00 31 263 640828
Email: info@nu-swift.nl
Website: www.nu-swift.nl

Incorporating Couwenberg Noodverlichting

Petunialaan 1D
5582 HA Waalre

Tel: 0031 40 2220933
Fax: 0031 40 2213275
Email: couwenberg.noodverlichting@hetnet.nl

Website: www.couwenbergnoodverlichting.nl

NL Brandbeveiliging B.V.

Gaasbeekstraat 6
5628 WC Eindhoven

Tel: 00 40 248 2196
Email: info@nlbrandbeveiliging.nl
Website: www.nlbrandbeveiliging.nl

Prevent Brandbeveiliging B.V.

Maasdijkseweg 107
2291 PJ Wateringen

Tel: 00 31 174 526700
Fax: 00 31 174 526701
Email: info@prevent.brandbeveiliging.nl
Website: www.prevent.brandbeveiliging.nl

Record Brandbeveiliging B.V.

Oostergracht 24
3763 LZ Soest

Tel: 00 31 35 602 79 66
Fax: 00 31 35 602 79 65
Email: info@recordbrandbeveiliging.nl
Website: www.recordbrandbeveiliging.nl

Braho Brandpreventie B.V.

Industrieweg 27
2712 LA Zoetermeer

Tel: 00 31 79 341 07 08
Email: info@braho.nl
Website: www.braho.nl

Austria

Total Fire-Stop G.m.b.H.

Tillmannsgasse 5
1220 Wien

Tel: 00 431 259 36310
Fax: 00 431 259 363118
Email: info@total.at
Website: www.total.at

Blesberger G.m.b.H.

Harruckerstrasse 9
A-4040 Linz

Tel: 00 43 732 733 234
Website: www.blesberger.at

Noris Feuerschutzgerate G.m.b.H.

Baumkircherstrasse 2
8020 Graz

Tel: 00 43 316 71 18 21
Fax: 00 43 316 71 80 20
Email: zentrale@noris.at
Website: www.noris.co.at

PMP Manus G.m.b.H.

Waltendorfer Hauptstrasse 5
8010 Graz

Tel: 00 43 316 46 15 66
Fax: 00 43 316 46 64 01
Email: office@pyrus-pmp.at
Website: www.pyrus-pmp.at

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designportfolio

design-portfolio.co.uk @WeAre_DP

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www.londonsecurity.org