

REGISTRAR

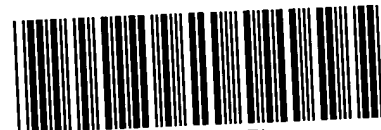
Company Registration No. 00857251 (England and Wales)

ABEL ALARM COMPANY LIMITED

ANNUAL REPORT

**FOR THE YEAR ENDED
31 DECEMBER 2014**

WEDNESDAY



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COMPANIES HOUSE

ABEL ALARM COMPANY LIMITED

COMPANY INFORMATION

Directors

P J Eyre
Mrs M Eyre
P G Allen

Secretary

A C Warner

Company number

00857251

Registered office

Detection House
4 Vaughan Way
Leicester
LE1 4ST

Auditors

Newby Castleman
West Walk Building
110 Regent Road
Leicester
LE1 7LT

ABEL ALARM COMPANY LIMITED

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ABEL ALARM COMPANY LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present the strategic report and financial statements for the year ended 31 December 2014.

Review of the business

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

The company continues to install, and provide rental and maintenance of electronic security systems, together with the manufacture and sale of security products.

We consider that our key financial performance indicator is that which communicates the financial performance and strength of the company as a whole, being return on capital employed.

Return on capital employed has decreased to 2.08% (2013 - 13.66%) and is calculated as profit before interest and tax divided by capital employed, which constitutes total assets less current liabilities, less investments, less cash, plus overdrafts and other short term borrowings.

Overall operating profit has decreased by 82.70% to £54,804 (2013 - £316,717) and the profit before tax amounted to £59,087 (2013 - £318,429). After taxation and dividends, £62,169 has been deducted from reserves.

As for many businesses of our size, the business environment in which we operate continues to be challenging. The security systems market in the United Kingdom is highly competitive and margins continue to be tight. However, the results for the year and the financial position at the year end were considered satisfactory by the directors who expect another tough year ahead.

On behalf of the board


P J Eyre
Director

31 July 2015

ABEL ALARM COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their report and financial statements for the year ended 31 December 2014.

Results and dividends

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

An interim ordinary dividend was paid amounting to £90,400. The directors do not recommend payment of a final dividend.

Directors

The following directors have held office since 1 January 2014:

P J Eyre
Mrs M Eyre
P G Allen

In accordance with the company's Articles of Association, P G Allen retires by rotation and, being eligible, offers himself for re-election.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

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

On behalf of the board


P J Eyre
Director

31/7/2015

ABEL ALARM COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ABEL ALARM COMPANY LIMITED

We have audited the financial statements of Abel Alarm Company Limited for the year ended 31 December 2014 set out on pages 5 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's 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 auditors' 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

ABEL ALARM COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF ABEL ALARM COMPANY LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Michael Castleman FCA (Senior Statutory Auditor)

for and on behalf of Newby Castleman

3 August 2015

Chartered Accountants

Statutory Auditor

West Walk Building

110 Regent Road

Leicester

LE1 7LT

ABEL ALARM COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
Turnover	2	11,373,657	11,092,674
Cost of sales		(6,587,193)	(6,095,526)
Gross profit		<u>4,786,464</u>	<u>4,997,148</u>
Distribution costs		(1,172,536)	(1,111,314)
Administrative expenses		(3,589,334)	(3,596,758)
Other operating income		30,210	27,641
Operating profit	3	<u>54,804</u>	<u>316,717</u>
Other interest receivable and similar income		4,283	1,712
Profit on ordinary activities before taxation		<u>59,087</u>	<u>318,429</u>
Tax on profit on ordinary activities	4	(30,856)	(89,999)
Profit for the year	17	<u><u>28,231</u></u>	<u><u>228,430</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

ABEL ALARM COMPANY LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2014

	Notes	2014 £	2013 £
Fixed assets			
Intangible assets	6	279,976	345,132
Tangible assets	7 & 8	3,810,366	3,699,228
		<u>4,090,342</u>	<u>4,044,360</u>
Current assets			
Stocks	10	300,541	220,483
Debtors	11	2,593,909	2,435,614
Investments	12	225,515	-
Cash at bank and in hand		606,388	1,198,108
		<u>3,726,353</u>	<u>3,854,205</u>
Creditors: amounts falling due within one year	13	<u>(4,352,623)</u>	<u>(4,382,407)</u>
Net current liabilities		<u>(626,270)</u>	<u>(528,202)</u>
Total assets less current liabilities		<u>3,464,072</u>	<u>3,516,158</u>
Provisions for liabilities	14	<u>(25,298)</u>	<u>(15,215)</u>
		<u>3,438,774</u>	<u>3,500,943</u>
Capital and reserves			
Called up share capital	16	8,012	8,012
Revaluation reserve	17	961,597	989,677
Other reserves	17	36,540	36,540
Profit and loss account	17	2,432,625	2,466,714
Shareholders' funds	18	<u>3,438,774</u>	<u>3,500,943</u>

Approved by the Board and authorised for issue on 31/7/2015

P J Eyre
Director

Company Registration No. 00857251

ABEL ALARM COMPANY LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2014

	£	2014 £	£	2013 £
Net cash inflow from operating activities		329,983		387,232
Returns on investments and servicing of finance				
Interest received	4,283		1,712	
	<u>4,283</u>		<u>1,712</u>	
Net cash inflow for returns on investments and servicing of finance		4,283		1,712
Taxation		(88,758)		(66,099)
Capital expenditure				
Payments to acquire intangible assets	(54,847)		-	
Payments to acquire tangible assets	(494,428)		(733,631)	
Receipts from sales of tangible assets	27,962		265,401	
	<u>(521,313)</u>		<u>(468,230)</u>	
Net cash outflow for capital expenditure		(521,313)		(468,230)
Equity dividends paid		(90,400)		(90,400)
		<u>(90,400)</u>		<u>(90,400)</u>
Net cash outflow before management of liquid resources and financing		(366,205)		(235,785)
Management of liquid resources				
Current asset investments	(225,515)		-	
	<u>(225,515)</u>		<u>-</u>	
		(225,515)		-
Decrease in cash in the year		<u>(591,720)</u>		<u>(235,785)</u>

ABEL ALARM COMPANY LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

1	Reconciliation of operating profit to net cash outflow from operating activities	2014	2013		
		£	£		
	Operating profit	54,804	316,717		
	Depreciation of tangible assets	340,991	362,660		
	Amortisation of intangible assets	120,003	130,386		
	Loss on disposal of tangible assets	14,337	3,683		
	Increase in stocks	(80,058)	(18,579)		
	Increase in debtors	(158,295)	(326,866)		
	Increase/(decrease) in creditors within one year	38,201	(80,769)		
	Net cash inflow from operating activities	329,983	387,232		
2	Analysis of net funds	1 January 2014	Cash flow	Other non-cash changes	31 December 2014
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	1,198,108	(591,720)	-	606,388
	Liquid resources:				
	Current asset investments	-	225,515	-	225,515
	Bank deposits	-	-	-	-
	Net funds	1,198,108	(366,205)	-	831,903
3	Reconciliation of net cash flow to movement in net funds	2014	2013		
		£	£		
	Decrease in cash in the year	(591,720)	(235,785)		
	Cash outflow from increase in liquid resources	225,515	-		
	Movement in net funds in the year	(366,205)	(235,785)		
	Opening net funds	1,198,108	1,433,893		
	Closing net funds	831,903	1,198,108		

ABEL ALARM COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of properties.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover comprises;

- Installation fees relating to equipment sold on an outright basis. Revenue in respect of installations is recognised when the installation is complete.
- Earned maintenance income being the value excluding VAT of maintenance services provided.
- Earned monitoring income being the value excluding VAT of monitoring services provided.
- The invoiced value excluding VAT of equipment and systems sold to customers.

1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life, which is 10 years.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Freehold property	2% per annum of cost or valuation
Long leasehold land and buildings	4% per annum of cost or valuation
Leasehold alterations	4% per annum of cost
Plant and machinery	15% per annum of net book value
Fixtures, fittings and equipment	15% per annum of net book value
Motor vehicles	25% per annum of net book value

The part of the annual depreciation charge on revalued assets which relates to the revaluation surplus is transferred from the revaluation reserve to the profit and loss account.

Investment properties are revalued annually at their open market value in accordance with SSAP19. The surplus or deficit on revaluation is transferred to a revaluation reserve except when the deficit (or its reversal) on an individual investment property is considered to be permanent, in which case it is taken to the profit and loss account.

No depreciation is provided on investment properties, which is a departure from the requirements of the Companies Act 2006. In the opinion of the directors these properties are held primarily for their investment potential and so their current value is of more significance than any measure of consumption and to depreciate them would not give a true and fair view. The provisions of SSAP19 in respect of investment properties have therefore been adopted in order to give a true and fair view.

No depreciation is provided in respect of freehold land.

ABEL ALARM COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

1 Accounting policies (Continued)

1.6 Leasing

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

1.7 Investments

Current asset investments are stated at the lower of cost and net realisable value.

1.8 Stock

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks.

1.9 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.10 Deferred taxation

The accounting policy in respect of deferred tax reflects the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

No provision has been made for deferred tax on gains recognised on revaluing property to its market value as the company does not intend to sell the revalued assets.

2 Turnover

Geographical market

	Turnover	
	2014	2013
	£	£
United Kingdom	11,373,657	11,092,674
	<u>11,373,657</u>	<u>11,092,674</u>

3 Operating profit

	2014	2013
	£	£
Operating profit is stated after charging:		
Amortisation of intangible assets	120,003	130,386
Depreciation of tangible assets	340,991	362,660
Loss on disposal of tangible assets	14,337	3,683
Operating lease rentals	54,000	54,000
Auditors' remuneration	10,000	10,000
	<u> </u>	<u> </u>

ABEL ALARM COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

4	Taxation	2014 £	2013 £
	Current tax		
	U.K. corporation tax	20,773	88,758
	Total current tax	20,773	88,758
	Deferred tax		
	Origination and reversal of timing differences	10,083	1,241
		30,856	89,999
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	59,087	318,429
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2013 - 23.25%)	11,817	74,035
	Effects of:		
	Non deductible expenses	1,268	596
	Depreciation add back	70,183	85,175
	Capital allowances	(62,495)	(62,263)
	Other tax adjustments	-	(8,785)
		8,956	14,723
	Current tax charge for the year	20,773	88,758
5	Dividends	2014 £	2013 £
	Ordinary interim paid	90,400	90,400

ABEL ALARM COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

6 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2014	2,147,060
Additions	54,847
At 31 December 2014	2,201,907
Amortisation	
At 1 January 2014	1,801,928
Charge for the year	120,003
At 31 December 2014	1,921,931
Net book value	
At 31 December 2014	279,976
At 31 December 2013	345,132

7 Tangible fixed assets

	Freehold property £	Long leasehold land and buildings £	Leasehold alterations £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation							
At 1 January 2014	2,530,000	428,620	30,206	236,946	1,381,046	1,885,173	6,491,991
Reclassification	(125,000)	-	-	-	-	-	(125,000)
Additions	-	184,172	66,665	-	8,864	234,727	494,428
Disposals	-	-	-	-	-	(197,979)	(197,979)
At 31 December 2014	2,405,000	612,792	96,871	236,946	1,389,910	1,921,921	6,663,440
Depreciation							
At 1 January 2014	80,858	17,143	14,227	224,237	1,269,440	1,186,858	2,792,763
Reclassification	(6,298)	-	-	-	-	-	(6,298)
On disposals	-	-	-	-	-	(155,680)	(155,680)
Charge for the year	67,645	24,512	1,208	1,906	23,034	222,686	340,991
At 31 December 2014	142,205	41,655	15,435	226,143	1,292,474	1,253,864	2,971,776
Net book value							
At 1 January 2014	2,449,142	411,477	15,979	12,709	111,606	698,315	3,699,228
At 31 December 2014	2,262,795	571,137	81,436	10,803	97,436	668,057	3,691,664

ABEL ALARM COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

7 Tangible fixed assets

(Continued)

Freehold commercial properties have been revalued on the basis of existing use value by independent qualified valuers. These valuations have been incorporated into the financial statements. The resulting revaluation adjustments have been taken to the revaluation reserve. Details of the revaluations are as follows:

Property	Date	Valuer
Leicester	2 July 2013	Gateway Property Consultants, Chartered Surveyors
Taunton		
- Cook Way	23 May 2013	Gateway Property Consultants, Chartered Surveyors
- East Reach	16 July 2013	Greenslade Taylor Hunt, Estate Agents
Solihull	23 May 2013	Gateway Property Consultants, Chartered Surveyors
Poole	22 May 2013	Sibbett Gregory, Chartered Surveyors
Tonbridge	30 August 2012	Durlings, Chartered Surveyors
Newcastle	10 August 2012	Bradley Hall, Chartered Surveyors
Sheffield	3 September 2012	SMC, Chartered Surveyors
London	22 October 2012	SBH, Estate Agents
Glasgow	20 May 2013	DM Hall, Chartered Surveyors

The directors' consider that the value of the above properties at the balance sheet date is not materially different to that at the dates of the professional valuation.

Leasehold properties are valued at their purchase price, of which the directors' consider the value of the properties at the balance sheet date is not materially different to that at the date of acquisition.

A property included in freehold land and buildings is now being held for its investment potential and rental income received and has been reclassified as an investment property.

Comparable historical cost for the properties (which includes investment properties) included at valuation:

	£
Cost	
At 1 January 2014	2,508,286
Additions	184,172
	<hr/>
At 31 December 2014	2,692,458
	<hr/>
Depreciation based on cost	
At 1 January 2014	637,343
Charge for the year	64,077
	<hr/>
At 31 December 2014	701,420
	<hr/>
Net book value	
At 1 January 2014	1,870,943
	<hr/>
At 31 December 2014	1,991,038
	<hr/>

Included within the net book value of freehold property is £47,500 (2013 - £47,500) relating to freehold land.

ABEL ALARM COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

8 Tangible fixed assets

	Investment properties £
Valuation	
At 1 January 2014	-
Additions	118,702
	<hr/>
At 31 December 2014	118,702
	<hr/>
Net book value	
At 31 December 2014	118,702
	<hr/> <hr/>
At 31 December 2013	-
	<hr/> <hr/>

9 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2014 & at 31 December 2014	506
	<hr/>
Provisions for diminution in value	
At 1 January 2014 & at 31 December 2014	506
	<hr/>
Net book value	
At 31 December 2014	-
	<hr/> <hr/>
At 31 December 2013	-
	<hr/> <hr/>

10 Stocks

	2014 £	2013 £
Finished goods and goods for resale	300,541	220,483
	<hr/> <hr/>	<hr/> <hr/>

ABEL ALARM COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

11 Debtors	2014 £	2013 £
Trade debtors	1,788,017	2,038,176
Other debtors	400,818	35,219
Prepayments and accrued income	405,074	362,219
	<u>2,593,909</u>	<u>2,435,614</u>
12 Current asset investments	2014 £	2013 £
Other investments	<u>225,515</u>	<u>-</u>
13 Creditors: amounts falling due within one year	2014 £	2013 £
Amounts received on account	2,340,209	2,340,940
Trade creditors	686,082	671,366
Amounts owed to parent undertakings	686,837	681,637
Corporation tax	20,773	88,758
Other taxes and social security costs	353,429	335,107
Directors' current accounts	11,787	16,787
Other creditors	192,534	175,228
Accruals and deferred income	60,972	72,584
	<u>4,352,623</u>	<u>4,382,407</u>

ABEL ALARM COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

14 Provisions for liabilities

	Deferred tax liability £
Balance at 1 January 2014	15,215
Profit and loss account	10,083
	<u>25,298</u>
Balance at 31 December 2014	<u>25,298</u>

The deferred tax liability is made up as follows:

	2014 £	2013 £
Accelerated capital allowances	23,116	14,406
Other timing differences	2,182	809
	<u>25,298</u>	<u>15,215</u>

15 Retirement Benefits

Defined contribution scheme

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

	2014 £	2013 £
Contributions payable by the company for the year	<u>27,225</u>	<u>-</u>

ABEL ALARM COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

16	Share capital	2014 £	2013 £
	Allotted, called up and fully paid		
	57,520 Ordinary shares class A of 10p each	5,752	5,752
	22,600 Ordinary shares class B of 10p each	2,260	2,260
		<u>8,012</u>	<u>8,012</u>

Both classes of shares rank equally in all respects except that the B shares do not carry any voting rights.

17 Statement of movements on reserves

	Revaluation reserve £	Other reserves (see below) £	Profit and loss account £
Balance at 1 January 2014	989,677	36,540	2,466,714
Profit for the year	-	-	28,231
Dividends paid	-	-	(90,400)
Depreciation written back	(28,080)	-	28,080
Balance at 31 December 2014	<u>961,597</u>	<u>36,540</u>	<u>2,432,625</u>

Other reserves

Reserves for own shares

Balance at 1 January 2014 & at 31 December 2014 36,540

18	Reconciliation of movements in Shareholders' funds	2014 £	2013 £
	Profit for the financial year	28,231	228,430
	Dividends	(90,400)	(90,400)
	Net (depletion in)/addition to shareholders' funds	<u>(62,169)</u>	<u>138,030</u>
	Opening Shareholders' funds	3,500,943	3,362,913
	Closing Shareholders' funds	<u>3,438,774</u>	<u>3,500,943</u>

ABEL ALARM COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

19 Financial commitments

At 31 December 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2015:

	Land and buildings	
	2014 £	2013 £
Operating leases which expire: In over five years	27,000	27,000

20 Directors' remuneration

	2014 £	2013 £
Remuneration for qualifying services	571,441	559,800

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2013 - 2).

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	262,575	260,482
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ABEL ALARM COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

21 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2014 Number	2013 Number
Management and administration	67	67
Production	105	106
Sales	38	38
	<u>210</u>	<u>211</u>

Employment costs

	2014 £	2013 £
Wages and salaries	5,542,285	5,438,244
Social security costs	550,335	544,527
Other pension costs	27,225	-
	<u>6,119,845</u>	<u>5,982,771</u>

22 Control

The ultimate parent company is Abel Group Limited, a company registered in England and Wales. P J Eyre is the ultimate controlling party through his controlling interest in Abel Group Limited.

23 Post balance sheet events

A freehold property was sold on 27 May 2015. In the year to 31 December 2015 this will result in a profit on disposal of £345,850 being credited to the company's profit and loss account.

24 Related party relationships and transactions

Dividends to Directors

The following directors were paid dividends during the year as outlined in the table below:

	2014 £	2013 £
P G Allen	16,000	16,000
	<u>16,000</u>	<u>16,000</u>

ABEL ALARM COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

24 Related party relationships and transactions

(Continued)

The company occupies property owned by directors PJ Eyre and Mrs M Eyre and a rental of £54,000 (2013: £54,000) was charged to the company in the year. At 31 December 2014, Abel Alarm Company Limited owed PJ and Mrs M Eyre £Nil (2013: £16,200) in respect of this.

Creditors falling due within one year include a director's current account balance of £11,787 (2013: £16,787) owed to PJ Eyre.

Abel Group Limited is the parent company of Abel Alarm Company Limited. During the year the company paid dividends of £5,200 (2013: £3,600) to Abel Group Limited. At 31 December 2014 Abel Alarm Company Limited owed Abel Group Limited £686,837 (2013: £681,637).

R Mulloy and J Mulloy are directors of Abel Group Limited. During the year, dividends totalling £28,000 (2013: £28,000) were paid to these individuals. The company also purchased a property from J Mulloy for a consideration of £225,515, of which no amounts were outstanding at the year end.