

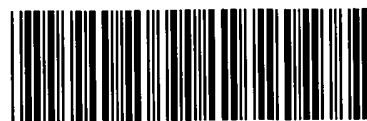
AudiocomPendax Limited

Registered Number: 01716114

Directors' report and financial statements

For the Year Ended 31 December 2016

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AudicomPendax Limited

Company Information

Directors	R B Baldwin T E V Frisell
Company secretary	M N Ternerot
Registered number	01716114
Registered office	17 Suttons Park Avenue Earley Reading Berkshire RG6 1AZ
Independent auditors	Haines Watts Chartered Accountants & Statutory Auditors Advantage 87 Castle Street Reading Berkshire RG1 7SN

AudicomPendax Limited

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AudicomPendax Limited

Directors' report For the Year Ended 31 December 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

Principal activity

The principal activity of the Company continued to be that of the manufacture and distribution of audio-visual training and presentation equipment.

Directors

The directors who served during the year were:

R B Baldwin
T E V Frisell

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments 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.

Disclosure of information to auditors

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

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

AudicomPendax Limited

Directors' report (continued)
For the Year Ended 31 December 2016

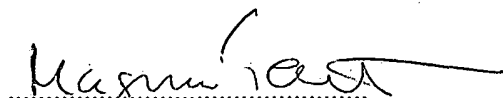
Auditors

The auditors, Haines Watts, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 25 September 2017 and signed on its behalf.



M N Ternerot
Secretary

AudicomPendax Limited

Independent auditors' report to the shareholders of AudicomPendax Limited

We have audited the financial statements of AudicomPendax Limited for the year ended 31 December 2016, set out on pages 5 to 14. The relevant financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an 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 on page 1, 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 Financial Reporting Council'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 Company's affairs as at 31 December 2016 and of its profit or loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter

In forming our opinion on the financial statements, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company is in a net liabilities position at the year end and post year end results to date indicate this is likely to continue. A letter of support has been obtained from the Company's parent. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements and this report has been prepared in accordance with applicable legal requirements.

AudicomPendax Limited

Independent auditors' report to the shareholders of AudicomPendax Limited (continued)

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' report and take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



Adrian Williams ACA FCCA (Senior statutory auditor)

for and on behalf of
Haines Watts

Chartered Accountants
Statutory Auditors

Advantage
87 Castle Street
Reading
Berkshire
RG1 7SN

26 September 2017

AudicomPendax Limited

**Statement of comprehensive income
For the Year Ended 31 December 2016**

	Note	2016 £	2015 £
Turnover		369,141	603,503
Cost of sales		(255,894)	(337,307)
Gross profit		<u>113,247</u>	<u>266,196</u>
Administrative expenses		(271,080)	(450,314)
Other operating charges		-	(1,171)
Operating loss		<u>(157,833)</u>	<u>(185,289)</u>
Interest receivable and similar income		40	3,442
Interest payable and expenses		(10,812)	(13,537)
Loss before tax		<u>(168,605)</u>	<u>(195,384)</u>
Loss for the year		<u>(168,605)</u>	<u>(195,384)</u>
Other comprehensive income for the year			
Total comprehensive income for the year		<u>(168,605)</u>	<u>(195,384)</u>

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

The notes on pages 7 to 14 form part of these financial statements.

AudicomPendax Limited
Registered number: 01716114

Balance sheet
As at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	5	8,737	10,903
		<u>8,737</u>	<u>10,903</u>
Current assets			
Stocks	6	235,927	246,581
Debtors: amounts falling due within one year	7	178,957	137,555
Cash at bank and in hand	8	13,414	12,027
		<u>428,298</u>	<u>396,163</u>
Creditors: amounts falling due within one year	9	(562,622)	(1,464,048)
Net current liabilities		<u>(134,324)</u>	<u>(1,067,885)</u>
Total assets less current liabilities		<u>(125,587)</u>	<u>(1,056,982)</u>
Net liabilities		<u>(125,587)</u>	<u>(1,056,982)</u>
Capital and reserves			
Called up share capital		35,000	10,000
Share premium account	11	1,075,000	-
Profit and loss account	11	(1,235,587)	(1,066,982)
		<u>(125,587)</u>	<u>(1,056,982)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 September 2017.



T E V Erisell
Director

The notes on pages 7 to 14 form part of these financial statements.

AudicomPendax Limited

**Notes to the financial statements
For the Year Ended 31 December 2016**

1. General information

AudicomPendax Limited is a company limited by share capital, incorporated in England. Its operations are carried out from its premises in Reading, Berkshire, and comprise the sale and installation of audiovisual products..

Going concern

The company is a subsidiary of a large international group, and enjoys their support, as evidenced by a letter of support issued by them. The company is forecasting an improvement in their financial performance, and for these reasons, the directors have concluded that the Company will be able to meet its obligations as they fall due, for a period of at least one year. It is on this basis that they consider the Company to be a going concern and have drawn up the Company's financial statements on that basis.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company accounting policies.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of EFAB, Erik Frisell AB as at 31 December 2016 and these financial statements may be obtained from its registered office.

AudicomPendax Limited

**Notes to the financial statements
For the Year Ended 31 December 2016**

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

AudicomPendax Limited

**Notes to the financial statements
For the Year Ended 31 December 2016**

2. Accounting policies (continued)

2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Motor vehicles	- 4 years
Fixtures & fittings	- 5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or

Notes to the financial statements
For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.8 Financial instruments (continued)

financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

2.11 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

AudicomPendax Limited

**Notes to the financial statements
For the Year Ended 31 December 2016**

2. Accounting policies (continued)

2.12 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2015 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.13 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.14 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

3. Auditors' remuneration

	2016 £	2015 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>12,500</u>	<u>14,573</u>

4. Employees

The average monthly number of employees, including directors, during the year was 3 (2015 - 7).

AudicomPendax Limited

**Notes to the financial statements
For the Year Ended 31 December 2016**

5. Tangible fixed assets

	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation			
At 1 January 2016	11,277	14,201	25,478
Additions	-	1,415	1,415
At 31 December 2016	<u>11,277</u>	<u>15,616</u>	<u>26,893</u>
Depreciation			
At 1 January 2016	11,277	3,298	14,575
Charge for the year on owned assets	-	3,581	3,581
At 31 December 2016	<u>11,277</u>	<u>6,879</u>	<u>18,156</u>
Net book value			
At 31 December 2016	<u>-</u>	<u>8,737</u>	<u>8,737</u>
At 31 December 2015	<u>-</u>	<u>10,903</u>	<u>10,903</u>

6. Stocks

	2016 £	2015 £
Finished goods and goods for resale	235,927	246,581
	<u>235,927</u>	<u>246,581</u>

7. Debtors

	2016 £	2015 £
Trade debtors	153,295	125,239
Other debtors	224	2,215
Prepayments and accrued income	25,438	10,101
	<u>178,957</u>	<u>137,555</u>

AudicomPendax Limited

Notes to the financial statements
For the Year Ended 31 December 2016

8. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	13,414	12,027
	<u>13,414</u>	<u>12,027</u>

9. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	22,809	16,188
Amounts owed to group undertakings	485,684	1,357,678
Other taxation and social security	5,841	9,750
Other creditors	-	12,146
Accruals and deferred income	48,288	68,286
	<u>562,622</u>	<u>1,464,048</u>

10. Financial instruments

	2016 £	2015 £
Financial assets		
Financial assets measured at fair value through profit or loss	13,414	12,027
	<u>13,414</u>	<u>12,027</u>

Financial assets measured at fair value through profit or loss comprises bank and cash balances.

AudicomPendax Limited

**Notes to the financial statements
For the Year Ended 31 December 2016**

11. Reserves

Share premium account

The share premium account represents the excess of the amount paid for the issue of new shares over their par value.

Profit & loss account

The profit and loss account represents the cumulative profits and losses net of dividends and other adjustments.

12. Pension commitments

The Company operates a defined contributions 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 and amounted to £4,364 (2015 - £6,600). There were no outstanding or prepaid contributions at the balance sheet date (2015 - £nil).

13. Commitments under operating leases

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year	45,820	38,183
Later than 1 year and not later than 5 years	183,280	183,280
Later than 5 years	164,188	210,008
	<u>393,288</u>	<u>431,471</u>

14. Controlling party

The company is a wholly owned subsidiary of AudicomPendax AB, a company incorporated in Sweden.

The ultimate parent undertaking is EFAB, Erik Frisell AB, also incorporated in Sweden. Copies of the consolidated financial statements are available to the public from its registered office.

15. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 :