

**Company Registration No. 2899116**

**Thorn Security Group Limited**

**Report and Financial Statements**

**30 September 2011**

FRIDAY



\*A14T0PDV\*

A05

16/03/2012

#129

COMPANIES HOUSE

# **Thorn Security Group Limited**

## **Report and financial statements 2011**

<b>Contents</b>	<b>Page</b>
<b>Officers and professional advisers</b>	<b>1</b>
<b>Directors' report</b>	<b>2</b>
<b>Directors' responsibilities statement</b>	<b>4</b>
<b>Independent auditors' report</b>	<b>5</b>
<b>Profit and loss account</b>	<b>7</b>
<b>Balance sheet</b>	<b>8</b>
<b>Notes to the accounts</b>	<b>9</b>

# **Thorn Security Group Limited**

## **Report and financial statements 2011**

### **Officers and professional advisers**

#### **Directors**

A Bowie  
A B Alphonsus

#### **Secretary**

A B Alphonsus

#### **Registered Office**

Security House  
The Summit  
Hanworth Road  
Sunbury on Thames  
Middlesex  
TW16 5DB

#### **Bankers**

Barclays Bank PLC  
Corporate Banking Centre  
28 George Street  
Luton  
LU1 2AE

#### **Lawyers**

Eversheds  
Senator House  
85 Queen Victoria Street  
London  
EC4V 4JL

#### **Auditors**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Leeds

# **Thorn Security Group Limited**

## **Directors' report**

The directors present their annual report and the audited financial statements of the company for the year ended 30 September 2011

### **Principal activities**

The company's immediate parent undertaking is Tyco Holdings (UK) Limited (note 15)

The principal activity of the company is that of an investment holding company for a group of companies (details of which are shown in note 6 to the accounts)

The company did not trade during the year and the directors do not envisage this will change in the foreseeable future. For this reason the company's directors believe that further key performance indicators of the company are not necessary for an understanding of the performance or position of the business

### **Review of business**

The retained loss for the year amounted to £29,302,000 (2010: £3,002,000) which has been transferred from reserves. A write down of investments of £29,277,000 (2010: £4,420,000) accounts for the loss during the year (see note 6)

The balance sheet on page 7 of the financial statements shows that the company's financial position at the year end is a net asset position as per the previous year

During the year the directors recommended a payment of a dividend of 60 pence per share in respect of the ordinary shares for the year which total £6,701,000 (2010: £nil) (see note 12)

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the annual report and accounts

### **Principal risks and uncertainties**

The risks of the company are the potential inability to repay its loans to group companies and to realise the carrying value of its investments (see note 6). However the company has considerable net assets made up of intercompany debtors which are considered by the directors to be recoverable

### **Financial risk management**

The directors considered the risks attached to the Company's financial instruments which principally comprise loans to and from other group companies. The Company's exposure to price risk, credit risk, liquidity risk and cash flow risk is not considered significant for the assessment of assets, liabilities and the financial statements. The directors' policy on hedging is to hedge all financial risks where it is feasible and cost effective to do so. The Company had no hedged transactions during the year

### **Employees**

Details of the number of employees and the related costs can be found in note 3 to the financial statements

# Thorn Security Group Limited

## Directors' report (continued)

### Directors

The directors of the company who served throughout the year were as follows

D L Kaye (Resigned 11 January 2011)

A Bowie (Appointed 11 January 2011)

A B Alphonsus

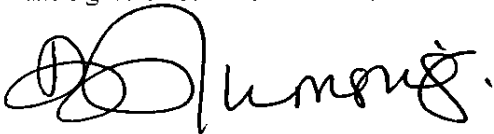
### Directors' statement on information given to auditors

In accordance with the provisions of s418 of the Companies Act 2006, each of the directors at the date of approval of this report confirms that

- so far as the director is aware there is no relevant audit information of which the company's auditors are unaware and
- he has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

Deloitte LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

Approved by the Board of Directors  
and signed on behalf of the Board



A B Alphonsus  
Company Secretary

12 March 2012

## **Thorn Security Group Limited**

### **Directors' responsibilities statement**

The directors are responsible for preparing the Annual 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 estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

## **Independent auditor's report to the members of Thorn Security Group Limited**

We have audited the financial statements of Thorn Security Group Ltd for the year ended 30 September 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 14. 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 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 auditors**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB'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 within the audited financial statements. 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 30 September 2011 and of its loss for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

### **Opinion on other matter prescribed by the Companies Act 2006**

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

## **Independent auditor's report to the members of Thorn Security Group Limited (continued)**

### **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



Simon Manning (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Leeds, United Kingdom

14 March 2012



## Thorn Security Group Limited

### Profit and loss account

Year ended 30 September 2011

	Notes	2011 £'000	2010 £'000
Operating loss	2	-	-
Amounts written off investments	6	(29 277)	(4 420)
Interest receivable and other income	4	-	1 418
		<hr/>	<hr/>
(Loss) on ordinary activities before taxation		(29 277)	(3 002)
Taxation	5	(25)	-
		<hr/>	<hr/>
(Loss) on ordinary activities after taxation and retained (loss) for the financial year	12, 13	<u>(29 302)</u>	<u>(3 002)</u>

The company has no recognised gains and losses other than those included in the results above and therefore no separate statement of total recognised gains and losses has been presented

All items noted above relate to continuing operations

# Thorn Security Group Limited

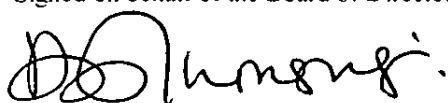
## Balance sheet

Year ended 30 September 2011

	Notes	2011 £'000	2010 £'000
<b>Fixed assets</b>			
Investments	6	-	29,277
<b>Current assets</b>			
Debtors due within one year	7	5 025	10 045
Debtors due more than one year	8	16 084	16,084
		<u>21 109</u>	<u>26 129</u>
<b>Creditors: amounts falling due within one year</b>	9	<u>(8 060)</u>	<u>(1,334)</u>
<b>Net current assets</b>		<u>13 049</u>	<u>24,795</u>
<b>Total assets less current liabilities</b>		13,049	54,072
<b>Creditors: amounts falling due after more than one year</b>	10	<u>(8 262)</u>	<u>(13,282)</u>
<b>Net assets</b>		<u>4,787</u>	<u>40,790</u>
<b>Capital and reserves</b>			
Called up share capital	11	11,096	11 096
Share premium account	12	7,772	7 772
Profit and loss account	12	(14,081)	21,922
<b>Total shareholders' funds</b>	13	<u>4,787</u>	<u>40 790</u>

The financial statements of Thorn Security Group Ltd registered number 2899116 were approved by the Board of Directors and authorised for issued on 12 March 2012

Signed on behalf of the Board of Directors



A B Alphonsus

Director

# Thorn Security Group Limited

## Notes to the accounts

### Year ended 30 September 2011

#### 1 Accounting policies

##### Accounting convention

The financial statements have been prepared under the historical cost convention and have been prepared in accordance with applicable United Kingdom accounting standards. A summary of the more important accounting policies of the company is set out below. These have been applied consistently throughout the current and preceding year.

##### Going concern

The company's business activities, together with the factors likely to affect its performance and position are set out in the Business Review on page 2. The financial position of the company and its financial risk management are described in The Directors' Report on page 2. The company has considerable net assets made up of intercompany debtors which are guaranteed by the parent company, Tyco International Finance SA. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

##### Group financial statements, cash flow statement and related party transactions

The company is a wholly owned subsidiary of a company registered in Switzerland, Tyco International Limited (see note 15), which produces publicly available consolidated accounts and as such is not required to produce consolidated financial statements. For the same reasons, the company is also exempt under the terms of Financial Reporting Standard No 1 (revised 1996) from publishing a cash flow statement.

The company is also exempt under the terms of Financial Reporting Standard No 8 from disclosing related party transactions with entities that are part of the Tyco International Ltd group or investees of the Tyco International Ltd group.

##### Investments

Fixed asset investments are stated at cost less any provision required for any permanent diminution in value.

##### Foreign currency translation

Foreign currency assets and liabilities are translated into sterling at the rates of exchange ruling at the date of the transaction or at the balance sheet date. All exchange differences are dealt with in the profit and loss account.

##### Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid or recovered using the rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred taxation is provided on all timing differences that have not reversed before the balance sheet date at the rate of tax expected to apply when those timing differences reverse. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax is measured on a non-discounted basis.

# Thorn Security Group Limited

## Notes to the accounts

### Year ended 30 September 2011

#### 2 Operating loss

The auditors' remuneration for the audit of the Company's financial statements of £5,513 (2010: £5,513) is borne by a fellow subsidiary company ADT Fire & Security Plc

#### 3 Directors' emoluments and employee information

The directors are remunerated by a fellow subsidiary company in respect of services provided to a number of group companies as directors. It is not possible to separately identify the emoluments attributable to services provided to each company. Accordingly, the financial statements include no emoluments in respect of any directors (2010: £nil)

No director exercised share options in the ultimate parent undertaking in the year (2010: none)

The company had no employees except the directors in the current or prior year

#### 4 Interest receivable and other income

	2011 £'000	2010 £'000
<b>Other income</b>		
Income from shares in group undertakings	-	1,418

#### 5 Taxation

	2011 £'000	2010 £'000
<b>Current tax</b>		
UK corporation tax at 27 % (2010: 28%)	25	-
	25	-
<b>Total current tax charge</b>	25	-
<b>Deferred tax</b>		
The origination of and reversal of timing differences	-	-
Prior year adjustment	-	-
<b>Total taxation charge on loss on ordinary activities</b>	25	-

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before taxation is as follows

# Thorn Security Group Limited

## Notes to the accounts Year ended 30 September 2011

### 5 Taxation (continued)

#### Factors affecting the tax charge for the current period

	2011 £'000	2010 £'000
(Loss) on ordinary activities before tax	(29,277)	(3,002)
Tax at 27 % (2010 28%) thereon	(7,905)	(841)
Effects of		
Tax on imputed interest	25	(397)
Expenses not deductible for tax purposes	7,905	1,238
<b>Total current tax charge for the year</b>	<b>25</b>	<b>-</b>

### 6 Fixed asset investments

<b>Cost</b>	<b>£'000</b>
At 1 October 2010	95,000
Disposals during year	-
<b>As at 30 September 2011</b>	<b>95,000</b>
<b>Provision</b>	
At 1 October 2010	(65,723)
Charge during the year	(29,277)
<b>As at 30 September 2011</b>	<b>95,000</b>
<b>Net book value</b>	
At 30 September 2011	-
At 30 September 2010	29,277

The following information relates to those subsidiary undertakings whose results or financial position, in the opinion of the directors, principally affected the figures of the company if consolidated financial statements were prepared. Following an impairment review, the directors have recognised an increase in the provision of £29,277,000.

Name of undertaking	Description of Principal activity	% held of nominal value of issued shares
Thorn Security Limited	Security systems Ordinary	100

This company operated principally in the United Kingdom, and are incorporated in Great Britain

# Thorn Security Group Limited

## Notes to the accounts

### Year ended 30 September 2011

#### 7 Debtors: amounts falling due within one year

	2011 £'000	2010 £'000
Amounts due from group undertakings	5,025	10,045

Amounts owed by group undertakings are repayable on demand

#### 8 Debtors: amounts falling due after more than one year

	2011 £'000	2010 £'000
Amounts owed by group undertakings	16,084	16,084

All amounts owed by group undertakings are interest free

#### 9 Creditors: amounts falling due within one year

	2011 £'000	2010 £'000
Amounts owed to group undertakings	7,953	1,251
Corporation tax	107	83
	8,060	1,334

All amounts owed to group undertaking are interest free and repayable on demand

#### 10 Creditors: amounts falling due after more than one year

	2011 £'000	2010 £'000
Amounts owed to immediate parent company	8,262	13,282
	8,262	13,282

All amounts owed to the immediate parent company is interest free

#### 11 Called up share capital

	2011 £'000	2010 £'000
<b>Authorised</b>		
11,195,600 'A' ordinary shares of £1 each	11,195	11,195
<b>Allotted, called-up and fully paid</b>		
11,096,674 'A' ordinary shares of £1 each	11,096	11,096

# Thorn Security Group Limited

## Notes to the accounts

### Year ended 30 September 2011

#### 12 Share premium account and other reserves

	Share premium £'000	Profit and loss account £'000
At 1 October 2010	7 772	21 922
(Loss) for the financial year	-	(29 302)
Dividends payable of 60 pence per share in the year	-	(6,701)
	<hr/>	<hr/>
At 30 September 2011	7 772	(14 081)
	<hr/>	<hr/>

#### 13 Reconciliation of movements in shareholder funds

	2011 £'000	2010 £'000
(Loss) for the financial year	(29 302)	(3 002)
Dividends payable in the financial year	(6,701)	-
	<hr/>	<hr/>
Net (decrease) to shareholders' funds	(36 003)	(3,002)
Opening shareholders' funds	40 790	43 792
	<hr/>	<hr/>
Total shareholders' funds	4 787	40,790
	<hr/>	<hr/>
Equity shareholders' funds		
Ordinary share capital	11 096	11 096
Ordinary share premium	7 772	7 772
Profit and loss account (note 12)	(14 081)	21 922
	<hr/>	<hr/>
Total shareholders' funds	4 787	40,790
	<hr/>	<hr/>

#### 14 Ultimate and intermediate parent undertakings

The company's immediate parent undertaking is Tyco Holdings (UK) Limited

The company's ultimate parent undertaking and controlling party is Tyco International Limited (a company incorporated in Switzerland). The undertaking that prepares consolidated financial statements for the smallest and largest group of which the company is a part is Tyco International Limited. Copies of the consolidated financial statements are available from the company's corporate office: The Freier Platz 10 8200 Schaffhausen Switzerland