

Company Registration No. 2899116

Thorn Security Group Limited

Report and Financial Statements

30 September 2010

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Thorn Security Group Limited

Report and financial statements 2010

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Thorn Security Group Limited

Report and financial statements 2010

Officers and professional advisers

Directors

A Bowie (Appointed 11 January 2011)

D L Kaye (Resigned 11 January 2011)

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
London

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 2010

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 had minimal 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 £3,002,000 (2009 profit £20,267,000) which has been transferred from reserves. A write down of investments during the year of £4,420,000 and dividends receivable from subsidiary undertakings of £1,418,000 (2009 £29,475,000) accounts for the majority of the loss of the company (see note 2).

The balance sheet on page 8 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.

The directors do not recommend the payment of a dividend in respect of the shares for the year (2009 £nil).

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.

Directors

The directors of the company who served during the year were as follows:

D L Kaye (Resigned 11 January 2011)
A Bowie (Appointed 11 January 2011)
A B Alphonsus
D E Roberts (Resigned 1 May 2010)

Thorn Security Group Limited

Directors' report

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 by Order of the Board



A B Alphonsus
Company Secretary

30 March 2011

Thorn Security Group Limited

Statement of directors' responsibilities

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 accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, 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 auditors' 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 2010 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 15. 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, 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.

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 2010 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 auditors' 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

Sarah Shillingford

Sarah Shillingford (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
London, United Kingdom

30 March 2011

Thorn Security Group Limited

Profit and loss account Year ended 30 September 2010

	Notes	2010 £'000	2009 £'000
Operating loss	2	-	-
Amounts written off investments		(4,420)	(9,211)
Loss on disposal of investments		-	(53)
Interest receivable and other income	4	1 418	29,689
Exchange gain	4	-	607
Interest payable and similar charges	4	-	(69)
(Loss)/profit on ordinary activities before taxation		(3,002)	20,963
Taxation	5	-	(696)
(Loss)/profit on ordinary activities after taxation and retained (loss)/profit for the financial year	13 & 14	(3,002)	20,267

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

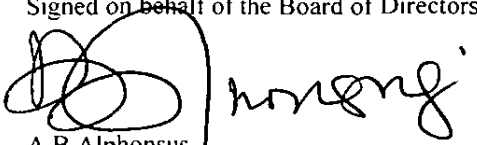
Balance sheet

Year ended 30 September 2010

	Notes	2010 £'000	2009 £'000
Fixed assets			
Investments	6	29,277	33,697
Current assets			
Debtors due within one year	7	10,045	5022
Debtors due more than one year	8	16 084	21,106
		26,129	26,128
Creditors: amounts falling due within one year	9	(1 334)	(83)
Total assets less current liabilities		24 795	26,045
Creditors: amounts falling due after more than one year	10	(13,282)	(15,950)
Net assets		40,790	43 792
Capital and reserves			
Called up share capital	12	11,096	11,096
Share premium account	13	7 772	7,772
Profit and loss account	13	21,922	24,924
Total shareholders' funds	14	40,790	43,792

The financial statements of Thorn Security Group Limited, registered number 2899116 were approved by the Board of Directors and authorised for issued on **30 March 2011**

Signed on behalf of the Board of Directors


A B Alphonsus
Director

Thorn Security Group Limited

Notes to the accounts

Year ended 30 September 2010

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 Ltd. 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 2010

2 Operating loss

The auditors' remuneration for the audit of the Company's financial statements of £5,000 (2009 £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. The directors do not wish to apportion the emoluments attributable to services provided to each company. Accordingly, the financial statements include no emoluments in respect of any directors (2009 £nil)

No director exercised share options in the ultimate parent undertaking in the year (2009 none)

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

4 Interest receivable/(payable) and exchange gains and other income

	2010 £'000	2009 £'000
Foreign exchange gain		
Exchange gain	-	607
Interest receivable/ (payable)		
Interest payable to other group undertakings	-	(69)
Interest receivable from group undertakings	-	214
Other income		
Income from shares in group undertakings	1,418	29,475

Thorn Security Group Limited

Notes to the accounts Year ended 30 September 2010

5 Taxation

	2010 £'000	2009 £'000
Current tax		
UK corporation tax at 28% (2009 29%)	-	(237)
Double tax relief – credit relief	-	154
	-	(83)
Foreign tax	-	(154)
Total current tax charge	-	(237)
Deferred tax		
Prior year adjustment	-	(459)
Total taxation charge on (loss)/profit on ordinary activities	-	(696)

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)/profit before taxation is as follows

Factors affecting the tax charge for the current year

	2010 £'000	2009 £'000
(Loss)/profit on ordinary activities before tax	(3,002)	20,963
Tax at 28% (2009 28%) thereon	(841)	5,870
Effects of		
Income not taxable	(397)	(8,253)
Expenses not deductible for tax purposes	1,238	2,620
Overseas tax	-	154
Double tax relief	-	(154)
Total current tax charge for the year	-	237

Thorn Security Group Limited

Notes to the accounts Year ended 30 September 2010

6 Fixed asset investments

Cost	£'000
At 1 October 2009	102,532
Disposals during year	(7,532)
Cost at 30 September 2010	95,000
Provision at 30 September 2010	
Cost	
At 1 October 2009	(68,835)
Provision during year	(4,420)
Disposals during the year	7,532
Provision at 30 September 2010	(65,723)
Net book value	29,277
At 30 September 2010	
At 30 September 2009	33,697

During the year the company disposed of the following dormant companies at a £nil gain/loss

Thorn Security International Ltd, AFA Minerva Ltd, Minerva Fire Defence Ltd, JEL Building Management Systems Ltd

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

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

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

7. Debtors: amounts falling due within one year

	2010 £'000	2009 £'000
Amounts due from group undertakings	10,045	5,022

Amounts owed by group undertakings are repayable on demand amount and all are interest free except for the Tyco Holdings cash pooling amount

Thorn Security Group Limited

Notes to the accounts

Year ended 30 September 2010

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

	2010 £'000	2009 £'000
Amounts owed by group undertakings	16,084	21,106

All amounts owed by group undertakings are interest free and repayable on demand

9 Creditors amounts falling due within one year

	2010 £'000	2009 £'000
Amounts owed to group undertakings	1,251	-
Corporation tax	83	83
	<u>1,334</u>	<u>83</u>

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

10. Creditors amounts falling due after more than one year

	2010 £'000	2009 £'000
Amounts owed to immediate parent company	13,282	13,280
Amounts owed to subsidiary undertakings	-	2,670
	<u>13,282</u>	<u>15,950</u>

All amounts owed to subsidiary companies and the immediate parent company are interest free

Thorn Security Group Limited

Notes to the accounts Year ended 30 September 2010

11. Deferred tax

	Deferred tax asset	
	2010	2009
	£'000	£'000
Balance brought forward	-	459
Adjustment in respect of prior periods	-	(459)
	<u>-</u>	<u>(459)</u>
At 30 September	-	-
Deferred tax comprises		
Losses not utilised	-	-
	<u>-</u>	<u>-</u>
Deferred tax asset	-	-
	<u>-</u>	<u>-</u>

12. Called up share capital

	2010	2009
	£'000	£'000
Authorised		
11,195,600 'A' ordinary shares of £1 each	<u>11,195</u>	<u>11,195</u>
Allotted, called up and fully paid		
11,096,674 'A' ordinary shares of £1 each	<u>11,096</u>	<u>11,096</u>

13. Share premium account and other reserves

	Share premium	Profit and loss account
	£'000	£'000
At 1 October 2009	7,772	24,924
Loss for the financial year	-	(3,002)
	<u>7,772</u>	<u>21,922</u>
At 30 September 2010	7,772	21,922

Thorn Security Group Limited

Notes to the accounts

Year ended 30 September 2010

14 Reconciliation of movements in shareholders' funds

	2010 £'000	2009 £'000
(Loss)/profit for the financial year	(3 002)	20,267
Net (decrease)/increase to shareholders' funds	(3,002)	20,267
Opening shareholders' funds	43,792	23,525
Total shareholders' funds	40,790	43,792
Equity shareholders' funds		
Ordinary share capital	11,096	11,096
Ordinary share premium	7,772	7,772
Profit and loss account (note 13)	21 922	24,924
Total shareholders' funds	40,790	43,792

15. 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