

Company registration number 03376202

**ANNUAL REPORT AND FINANCIAL  
STATEMENTS**

**FOR THE PERIOD ENDED  
31 MARCH 2016**

**OPENVIEW SECURITY  
SOLUTIONS LIMITED**



**MENZIES**  
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# OPENVIEW SECURITY SOLUTIONS LIMITED

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## COMPANY INFORMATION

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<b>Directors</b>	P Bullen M P Ingleson K C Hall
<b>Registered number</b>	03376202
<b>Registered office</b>	Openview House Chesham Close Romford Essex RM7 7PJ
<b>Independent auditors</b>	Menzies LLP Chartered Accountants & Statutory Auditor 1st Floor Midas House 62 Goldsworth Road Woking Surrey GU21 6LQ
<b>Bankers</b>	Royal Bank of Scotland 3rd Floor Cavell House 2A Charing Cross Road London WC2N 0NN

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# OPENVIEW SECURITY SOLUTIONS LIMITED

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# OPENVIEW SECURITY SOLUTIONS LIMITED

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## STRATEGIC REPORT FOR THE PERIOD ENDED 31 MARCH 2016

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### Business review

The principle activity of the company continued to be that of design, installation and maintenance of electrical security systems.

The directors have reviewed the performance and growth of the company during the period.

Openview is an independent security systems integrator providing a full security systems package and a comprehensive range of services for their customers. This includes specialist network skills with IP convergence. They provide specialist fire and electrical services to enable a full turnkey solution to core markets and customers. All services provided are compliant with industry standards, where Openview holds all required accreditations. The main customers are local authorities such as Tower Hamlets and Haringey. Other key customers include Your Homes Newcastle, Network Rail and the Metropolitan Police. Openview have over 160 employees over 5 office locations throughout the UK.

### Key performance indicators

Key performance indicators

Results to 31 March 2016 pro-rated for a 12 month period are as follows:

Turnover: £28,471,992

Gross profit: £6,879,492

On a pro-rated basis:

- Turnover increased by 13.3% to £28.5m
- Gross profit margin has decreased by 1% to 24.2%
- Turnover per employee increased by 6.6% £161k

The company continued to provide its services and solutions to Local Government, Housing Associations in addition to the Police and private sector.

Turnover has increased by 13.3% which is due to the growth of its electrical services division. The company has significant long-term contracts with a number of customers and suppliers across its market sectors. As a consequence, the directors believe that the company is well placed to manage its business risks successfully. The Board remains focused on providing competitive solutions to clients and development of future growth together with investment in its staff and systems.

Activity levels in the UK security systems sector were weakened manifesting in pressures on margins, so it is considered good performance that the margins remained very consistent

### Future developments

Openview continue to price competitively and plan to grow and train staff in order to increase their knowledge to raise the quality of the service.

The company is blessed with a strong committed order book and remain positive about the future outlook.

The company is expected to continue to generate positive cash flows for the foreseeable future. The directors, having assessed the company's expectations, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the company to continue as a going concern or its ability to continue with the current banking arrangements.

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# OPENVIEW SECURITY SOLUTIONS LIMITED

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## STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2016

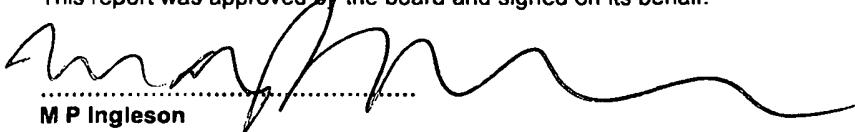
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### Principal risks and uncertainties

Competition in the market place continues to be primary risk to the company, price pressure to secure new business and successfully retender existing contracts increases threat of margin erosion. Continuous development of supply chain and increased service levels and added value to clients remains key to future growth. The company meets its day-to-day working capital requirements through its ongoing banking facilities; forecasts and projections show that the company should be able to operate within the level of its current facilities.

On the basis of their assessment of the company's financial position, the directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

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

  
.....  
**M P Ingleson**  
Director

Date: 20 July 2017

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# OPENVIEW SECURITY SOLUTIONS LIMITED

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## DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2016

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The directors present their report and the financial statements for the period ended 31 March 2016.

### Results and dividends

The profit for the period, after taxation, amounted to £429,702 (2015 - £880,319).

### Directors

The directors who served during the period were:

P Bullen  
M P Ingleson  
K C Hall

### Going concern

The directors have a reasonable expectation that the company has adequate resources to continue operational existence for the foreseeable future. For this reason the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, 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 to 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.

### Strategic report

The company has chosen in accordance with section 414C911) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the company's strategic report information required by the schedule 7 of the Large and Medium-sized companies and Groups (Accounts and Reports) Regulation 2008 it must be stated in the Director's Report that it has done so. This includes information that would have been included in the business review and the principal risks and uncertainties.

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# OPENVIEW SECURITY SOLUTIONS LIMITED

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## DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2016

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### Auditors

Under section 487(2) of the Companies Act 2006, Menzies LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

### 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.

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



M P Ingleson  
Director

Date: 20 July 2017  
Openview House  
Chesham Close  
Romford  
Essex  
RM7 7PJ

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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF  
OPENVIEW SECURITY SOLUTIONS LIMITED**

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We have audited the financial statements of Openview Security Solutions Limited for the period ended 31 March 2016, set out on pages 7 to 21. 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 3, 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/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

**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 March 2016 and of its profit for the period 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 the Directors' Report for the financial period for which the financial statements are prepared is consistent with those financial statements.

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, 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.



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# OPENVIEW SECURITY SOLUTIONS LIMITED

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## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF OPENVIEW SECURITY SOLUTIONS LIMITED (CONTINUED)

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*Menzies LLP*

Amy Askew ACA (Senior Statutory Auditor)

for and on behalf of  
**Menzies LLP**

Chartered Accountants  
Statutory Auditor

1st Floor  
Midas House  
62 Goldsworth Road  
Woking  
Surrey  
GU21 6LQ

Date: *20 July 2017*

# OPENVIEW SECURITY SOLUTIONS LIMITED

## STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE PERIOD ENDED 31 MARCH 2016

	Note	Period to 31 March 2016 £	Year to 31 July 2015 £
Turnover	4	18,981,328	25,127,390
Cost of sales		(14,395,000)	(18,794,679)
<b>Gross profit</b>		<b>4,586,328</b>	<b>6,332,711</b>
Administrative expenses		(4,041,852)	(5,321,461)
Other operating income	5	-	92,380
<b>Operating profit</b>	6	<b>544,476</b>	<b>1,103,630</b>
Interest receivable and similar income		7	25
Interest payable and expenses	10	(34,148)	(50,350)
<b>Profit before tax</b>		<b>510,335</b>	<b>1,053,305</b>
Tax on profit	11	(80,633)	(172,986)
<b>Profit after tax</b>		<b>429,702</b>	<b>880,319</b>
Retained earnings at the beginning of the period		5,399,436	5,019,117
		5,399,436	5,019,117
Profit for the period		429,702	880,319
Dividends declared and paid		-	(500,000)
<b>Retained earnings at the end of the period</b>		<b>5,829,138</b>	<b>5,399,436</b>

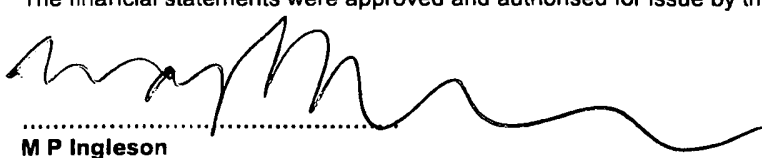
The notes on pages 9 to 21 form part of these financial statements.

**OPENVIEW SECURITY SOLUTIONS  
LIMITED**  
REGISTERED NUMBER:03376202

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2016**

	Note	31 March 2016 £	31 July 2015 £
<b>Fixed assets</b>			
Tangible assets	13	434,042	498,550
		<u>434,042</u>	<u>498,550</u>
<b>Current assets</b>			
Stocks	14	1,985,427	1,854,331
Debtors: amounts falling due within one year	15	13,090,274	10,113,944
Cash at bank and in hand		29,195	25,031
		<u>15,104,896</u>	<u>11,993,306</u>
Creditors: amounts falling due within one year	16	(9,611,925)	(6,992,045)
<b>Net current assets</b>		<u>5,492,971</u>	<u>5,001,261</u>
<b>Total assets less current liabilities</b>		<u>5,927,013</u>	<u>5,499,811</u>
Creditors: amounts falling due after more than one year	17	-	(2,500)
<b>Provisions for liabilities</b>			
Deferred tax	18	(47,872)	(47,872)
		<u>(47,872)</u>	<u>(47,872)</u>
<b>Net assets</b>		<u><u>5,879,141</u></u>	<u><u>5,449,439</u></u>
<b>Capital and reserves</b>			
Called up share capital	23	50,003	50,003
Profit and loss account	24	5,829,138	5,399,436
		<u><u>5,879,141</u></u>	<u><u>5,449,439</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
.....  
**M P Ingleson**  
Director

Date: 20 July 2017

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# OPENVIEW SECURITY SOLUTIONS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2016

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### 1. General information

Openview Security Solutions Limited is a private company limited by shares and registered in the United Kingdom. The address of its registered office and principal place of business are disclosed on the company information page.

### 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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The entity transitioned from previous UK GAAP to FRS 102 as at 1 August 2014. Information on the impact of first-time adoption of FRS 102 is given in note 26.

These financial statements are prepared for the 8 month period ended 31 March 2016. Comparative figures presented relate to the 12 month period ended 31 July 2015.

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's accounting policies (see note 3).

The following principal accounting policies have been applied:

#### 2.2 Disclosure Exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Openview Group Ltd., which can be obtained from Openview House, Chesham Close, Romford, Essex, RM7 7PJ. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

#### 2.3 Turnover

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Revenue is calculated as the proportion of total contract value which costs to date bear to total expected costs for the contract.

Retention income is recognised when a contract is completed and the obligations of the contract have been met.

#### 2.4 Tangible fixed assets

Fixed asset investments are stated at cost less provision for diminution in value

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# OPENVIEW SECURITY SOLUTIONS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2016

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### 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.

Depreciation is provided on the following basis:

Freehold property	- 2 % straight line
Leasehold property	- written off in equal instalments over the unexpired period of the lease
Plant and machinery	- 15-25% straight line
Motor vehicles	- 20-25% straight line
Fixtures and fittings	- 10-20% straight line
Equipment	- 7.5-20% straight line

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 Income and Retained Earnings.

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.

#### 2.5 Stocks

Stock and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Reclaimed stock relates to items which have been removed from customer sites when they are replaced by the company's systems. Reclaimed stock is valued at the directors best estimate of the lower of cost and net realisable value.

#### 2.6 Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

#### 2.7 Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Statement of Income and Retained Earnings on a straight line basis.

#### 2.8 Operating lease agreements

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

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# OPENVIEW SECURITY SOLUTIONS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2016

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### 2. Accounting policies (continued)

#### 2.9 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 Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

#### 2.10 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

#### 2.11 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.

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# OPENVIEW SECURITY SOLUTIONS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2016

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### 2. Accounting policies (continued)

#### 2.12 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.

#### 2.13 Invoice Discounting

Invoice discounting is accounted for using the separate presentation method. Gross assets are recognised on the balance sheet and a corresponding liability is recognised in respect of the proceeds received from the factor. This is in line with the substance of the transactions entered by the company.

### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### Significant Judgements

The company did not make any significant judgements (apart from those involving estimations which are detailed below) that have a significant effect on the amounts recognised in the financial statements.

#### Key Sources of Estimation Uncertainty

Accounting estimates and assumptions are made concerning the future and by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Management use estimation to calculate work in progress by applying an overhead mark up on the work in progress materials and labour costs. This is based on direct wages, salaries and other administrative costs.

### 4. Turnover

The turnover and profit before tax are attributable to the one principal activity of the company.

	<b>Period to 31 March 2016 £</b>	<b>Year to 31 July 2015 £</b>
United Kingdom	<b>18,981,328</b>	25,127,390
	<b>18,981,328</b>	25,127,390

# OPENVIEW SECURITY SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2016

### 5. Other operating income

	Period to 31 March 2016 £	Year to 31 July 2015 £
Other operating income	-	92,380
	-	92,380

Included in other operating income above is £nil (2015 - £92,380) which is a one off settlement in respect of an interest rate hedging product.

### 6. Operating profit

The operating profit is stated after charging:

	Period to 31 March 2016 £	Year to 31 July 2015 £
Depreciation of tangible fixed assets	119,893	171,036
Depreciation of assets held under hire purchase agreements	2,267	3,400
Profit on disposal of fixed assets	-	(329,237)
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	21,500	30,600
Other operating lease rentals	754,940	811,486
Defined contribution pension cost	48,371	-

Freehold Property was disposed of during 2015 at a profit of £329,237. This was considered to be an exceptional profit in the year to 31 July 2015.

### 7. Auditors' remuneration

	Period to 31 March 2016 £	Year to 31 July 2015 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	21,500	30,600



# OPENVIEW SECURITY SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2016

### 8. Particulars of employees

Staff costs, including directors' remuneration, were as follows:

	Period to 31 March 2016 £	Year to 31 July 2015 £
Wages and salaries	4,109,044	5,181,268
Social security costs	332,728	602,766
Cost of defined contribution scheme	48,371	59,903
	<b>4,490,143</b>	<b>5,843,937</b>

The average monthly number of employees, including the directors, during the period was as follows:

	Period to 31 March 2016 No.	Year to 31 July 2015 No.
Directors	3	3
Employees	177	166
	<b>180</b>	<b>169</b>

### 9. Directors' remuneration

	Period to 31 March 2016 £	Year to 31 July 2015 £
Directors' emoluments	398,386	406,486
	<b>398,386</b>	<b>406,486</b>

The highest paid director received remuneration of £113,192 (2015 - £135,956).

# OPENVIEW SECURITY SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2016

### 10. Interest payable and similar charges

	Period to 31 March 2016 £	Year to 31 July 2015 £
Interest payable on bank borrowing	39	4
Other similar charges payable	34,109	50,346
	<b>34,148</b>	<b>50,350</b>

### 11. Taxation

	Period to 31 March 2016 £	Year to 31 July 2015 £
<b>Corporation tax</b>		
UK Corporation tax based on the results for the year at 20% (2015 - 20.60%)	80,633	202,828
Over/under provision in prior year	-	2,544
	<b>80,633</b>	<b>205,372</b>
<b>Total current tax</b>	<b>80,633</b>	<b>205,372</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	(32,386)
<b>Total deferred tax</b>	<b>-</b>	<b>(32,386)</b>
<b>Taxation on profit on ordinary activities</b>	<b>80,633</b>	<b>172,986</b>

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# OPENVIEW SECURITY SOLUTIONS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2016

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### 11. Taxation (continued)

#### Factors affecting tax charge for the period/year

The tax assessed on the profit on ordinary activities for the period/year is lower than the standard rate of corporation tax in the UK of 20% (2015 - 20.60%). The differences are explained below:

	Period to 31 March 2016 £	Year to 31 July 2015 £
Profit on ordinary activities before tax	510,335	1,053,305
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.60%)	102,067	216,981
Effects of:		
Non deductible expenses	8,225	20,699
Capital allowances for period/year in excess of depreciation	9,561	15,946
Deferred tax	-	(32,386)
Group relief	(15,318)	(41,249)
Chargeable disposals	-	(8,701)
Sundry tax adjusting items	(23,902)	1,696
<b>Total tax charge for the period/year</b>	<b>80,633</b>	<b>172,986</b>

### 12. Dividends

	31 March 2016 £	31 July 2015 £
Equity dividends on ordinary shares	-	500,000
	-	500,000

# OPENVIEW SECURITY SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2016

### 13. Tangible assets

	Leasehold property £	Plant and machinery £	Fixtures and fittings £	Equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>						
At 1 August 2015	127,780	759,271	806,527	758,932	505,362	2,957,872
Additions	10,930	11,759	7,338	21,597	3,761	55,385
At 31 March 2016	138,710	771,030	813,865	780,529	509,123	3,013,257
<b>Depreciation</b>						
At 1 August 2015	31,208	704,506	666,006	623,366	434,236	2,459,322
Charge for the period on owned assets	15,741	26,755	16,423	48,476	12,498	119,893
At 31 March 2016	46,949	731,261	682,429	671,842	446,734	2,579,215
<b>Net book value</b>						
At 31 March 2016	91,761	39,769	131,436	108,687	62,389	434,042
At 31 July 2015	96,572	54,765	140,521	135,566	71,126	498,550

#### Hire purchase agreements

Included within the net book value of £498,550 is £4,533 (2015 - £3,400) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £2,267 (2015 - £3,400).

# OPENVIEW SECURITY SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2016

### 14. Stocks

	31 March 2016 £	31 July 2015 £
Reclaimed stock	94,614	124,455
Work in progress	395,406	216,972
Finished goods	1,495,407	1,512,904
	<u>1,985,427</u>	<u>1,854,331</u>

### 15. Debtors

	31 March 2016 £	31 July 2015 £
Trade debtors	7,596,483	5,317,878
Amounts owed by group undertakings	2,089,436	2,015,521
Other debtors	37,726	191,172
Prepayments and accrued income	3,366,629	2,589,373
	<u>13,090,274</u>	<u>10,113,944</u>

The trade debtors balance is subject to a charge in respect of an invoice financing facility. At the balance sheet date £2,232,717 (2015 - £1,589,725) has been borrowed against this facility. The amount borrowed against this facility is included within other creditors (Note 16).

Included within prepayments and accrued income is an amount of £2,980,039 (2015 - £2,315,757) being amounts recoverable on long term contracts. Included within trade debtors is accrued retention income of £527,017 (2015 - £566,727).

# OPENVIEW SECURITY SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2016

### 16. Creditors: Amounts falling due within one year

	31 March 2016 £	31 July 2015 £
Bank overdrafts	449,578	179,587
Trade creditors	4,951,964	4,442,704
Corporation tax	283,712	202,828
Taxation and social security	970,143	532,332
Other creditors	2,378,430	1,592,778
Accruals and deferred income	578,098	41,816
	<u>9,611,925</u>	<u>6,992,045</u>

Included within other creditors is an amount for £6,338 (2015 - £5,672) being unpaid pension contributions.

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	31 March 2016 £	31 July 2015 £
Bank loans and overdrafts	<u>552,938</u>	<u>179,587</u>

### 17. Creditors: Amounts falling due after more than one year

	31 March 2016 £	31 July 2015 £
Net obligations under finance leases and hire purchase contracts	-	2,500
	<u>-</u>	<u>2,500</u>

### 18. Deferred taxation

	2016 £
At beginning of year	(47,872)
Charged to profit or loss	-
At end of year	<u>(47,872)</u>

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# OPENVIEW SECURITY SOLUTIONS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2016

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### 18. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	31 March 2016 £
Excess of taxation allowances over depreciation of fixed assets	(47,872)
	<u>(47,872)</u>

### 19. Commitments under operating leases

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

	31 March 2016 £	31 July 2015 £
Within 1 year	820,024	663,191
Within 2 to 5 years	904,830	765,928
	<u>1,724,854</u>	<u>1,429,119</u>

### 20. Contingencies

The company had a potential liability for performance bonds to the value of £25,000 (2015 - £67,795) in respect of work being undertaken. These bonds are guarantees against default or failure of contract by Openview Security Solutions Limited.

### 21. Transactions with directors

The total amount of leasehold rental payable by the company to KPM partnership, a business whose partners are P. Bullen, M.P. Ingleson and K.C. Hall was £36,000 (2015 - £54,000).

### 22. Related party transactions

The company has taken advantage of the exemption available under FRS 102 Section 33.1A not to disclose transactions with other members of the group where both such members are wholly owned subsidiaries.

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# OPENVIEW SECURITY SOLUTIONS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2016

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### 23. Share capital

	31 March 2016 £	31 July 2015 £
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
50,003 Ordinary shares of £1 each	<u>50,003</u>	<u>50,003</u>

### 24. Reserves

#### Profit and loss account

The Profit and loss account reserve records retained earnings and accumulated losses.

### 25. Ultimate parent company

The ultimate parent company is Openview Group Limited, a company incorporated in England and Wales. Copies of the consolidated financial statements for Openview Group Limited are publicly available from Companies House.

### 26. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.