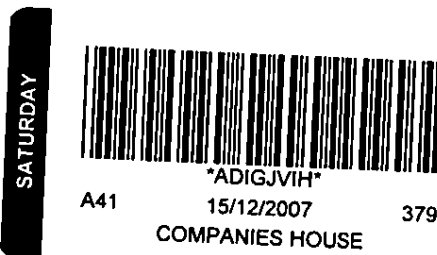


REGISTERED NUMBER: 05498299 (England and Wales)

**Report of the Director and
Financial Statements for the Year Ended 30 April 2007
for
Computationics Group Limited**



Computationics Group Limited

**Contents of the Financial Statements
for the Year Ended 30 April 2007**

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Computationics Group Limited

**Company Information
for the Year Ended 30 April 2007**

DIRECTOR:

Mr A W Foster

SECRETARY:

Mrs S J Foster

REGISTERED OFFICE:

54 Chorley Rd
Hilldale
PARBOLD
Lancashire
WN8 7AS

REGISTERED NUMBER:

05498299 (England and Wales)

AUDITORS:

Ashworth Treasure Limited
Registered Auditors
17-19 Park Street
Lytham
Lancashire
FY8 5LU

Computationics Group Limited

Report of the Director for the Year Ended 30 April 2007

The director presents his report with the financial statements of the company for the year ended 30 April 2007

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a holding company

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements

DIVIDENDS

No dividends will be distributed for the year ended 30 April 2007

DIRECTOR

Mr A W Foster held office during the whole of the period from 1 May 2006 to the date of this report

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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 director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

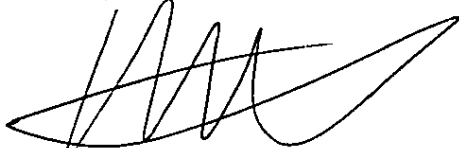
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Ashworth Treasure Limited, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:



Mr A W Foster - Director

11 December 2007

Report of the Independent Auditors to the Shareholders of Computationics Group Limited

We have audited the financial statements of Computationics Group Limited for the year ended 30 April 2007 on pages five to fifteen. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 director and auditors

The director's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page two.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Director is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and other transactions is not disclosed.

We read the Report of the Director and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Report of the Independent Auditors to the Shareholders of
Computationics Group Limited**

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 April 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Report of the Director is consistent with the financial statements



Ashworth Treasure Limited
Registered Auditors
17-19 Park Street
Lytham
Lancashire
FY8 5LU

11 December 2007

Computationics Group Limited**Profit and Loss Account
for the Year Ended 30 April 2007**

	Notes	Year Ended 30 4 07 £	Period 4 7 05 to 30 4 06 £
TURNOVER		-	-
Administrative expenses		<u>2,100</u>	<u>2,100</u>
		(2,100)	(2,100)
Other operating income		<u>40,000</u>	<u>40,000</u>
OPERATING PROFIT	3	37,900	37,900
Interest payable and similar charges	4	<u>35,124</u>	<u>15,387</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,776	22,513
Tax on profit on ordinary activities	5	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>2,776</u>	<u>22,513</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous period

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous period

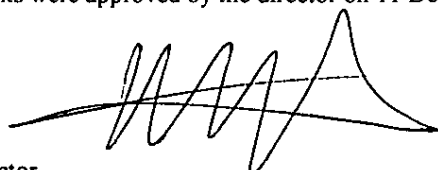
The notes form part of these financial statements

Computationics Group Limited

Balance Sheet
30 April 2007

	Notes	2007 £	2006 £
FIXED ASSETS			
Investments	6	1,001,000	1,001,000
CURRENT ASSETS			
Debtors	7	-	37,900
CREDITORS			
Amounts falling due within one year	8	<u>927,001</u>	<u>765,387</u>
NET CURRENT LIABILITIES		<u>(927,001)</u>	<u>(727,487)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		73,999	273,513
CREDITORS			
Amounts falling due after more than one year	9	<u>47,710</u>	<u>250,000</u>
NET ASSETS		<u>26,289</u>	<u>23,513</u>
CAPITAL AND RESERVES			
Called up share capital	11	1,000	1,000
Profit and loss account	12	<u>25,289</u>	<u>22,513</u>
SHAREHOLDERS' FUNDS	16	<u>26,289</u>	<u>23,513</u>

The financial statements were approved by the director on 11 December 2007 and were signed by



Mr A W Foster - Director

The notes form part of these financial statements

Computationics Group Limited

**Cash Flow Statement
for the Year Ended 30 April 2007**

		Year Ended 30 4 07		Period 4 7 05 to 30 4 06	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		478,842		-
Taxation			(6,194)		-
Capital expenditure and financial investment	2		-		(1,001,000)
			472,648		(1,001,000)
Financing	2		(472,648)		1,001,000
Increase in cash in the period			-		-
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
Increase in cash in the period			-		-
Cash outflow/(inflow) from decrease/(increase) in debt		453,112		(1,000,000)	
Change in net debt resulting from cash flows			453,112		(1,000,000)
Movement in net debt in the period			453,112		(1,000,000)
Net debt at 1 May			(1,000,000)		-
Net debt at 30 April			(546,888)		(1,000,000)

The notes form part of these financial statements

Computationics Group Limited

**Notes to the Cash Flow Statement
for the Year Ended 30 April 2007**

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Year Ended 30 4 07 £	Period 4 7 05 to 30 4 06 £
Operating profit	37,900	37,900
Decrease/(Increase) in debtors	37,900	(37,900)
Increase in creditors	<u>403,042</u>	<u>-</u>
Net cash inflow from operating activities	<u>478,842</u>	<u>-</u>

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	Year Ended 30 4 07 £	Period 4 7 05 to 30 4 06 £
Capital expenditure and financial investment		
Purchase of fixed asset investments	<u>-</u>	<u>(1,001,000)</u>
Net cash outflow for capital expenditure and financial investment	<u>-</u>	<u>(1,001,000)</u>
Financing		
New loans in year	433,206	1,000,000
Loan repayments in year	(905,854)	-
Share issue	<u>-</u>	<u>1,000</u>
Net cash (outflow)/inflow from financing	<u>(472,648)</u>	<u>1,001,000</u>

The notes form part of these financial statements

Computationics Group Limited

**Notes to the Cash Flow Statement
for the Year Ended 30 April 2007**

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 5 06 £	Cash flow £	At 30 4 07 £
Net cash			
Cash at bank and in hand	-	-	-
Debt			
Debts falling due within one year	(750,000)	250,822	(499,178)
Debts falling due after one year	<u>(250,000)</u>	<u>202,290</u>	<u>(47,710)</u>
	<u>(1,000,000)</u>	<u>453,112</u>	<u>(546,888)</u>
 Total	 <u>(1,000,000)</u>	 <u>453,112</u>	 <u>(546,888)</u>

The notes form part of these financial statements

Computationics Group Limited

Notes to the Financial Statements for the Year Ended 30 April 2007

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Exemption from preparing consolidated financial statements

The financial statements contain information about Computationics Group Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 248 of the Companies Act 1985 from the requirements to prepare consolidated financial statements

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

2 STAFF COSTS

There were no staff costs for the period ended 30 April 2007 or 30 April 2006

3 OPERATING PROFIT

The operating profit is stated after charging

	Year Ended 30 4 07 £	Period 4 7 05 to 30 4 06 £
Auditors' remuneration	<u>2,100</u>	<u>2,100</u>
Director's emoluments	<u>-</u>	<u>-</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 30 4 07 £	Period 4 7 05 to 30 4 06 £
Bank loan interest	19,535	-
Interest on loan note	<u>15,589</u>	<u>15,387</u>
	<u>35,124</u>	<u>15,387</u>

5 TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 30 April 2007 nor for the period ended 30 April 2006

Computationics Group Limited

Notes to the Financial Statements - continued for the Year Ended 30 April 2007

5 TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	Year Ended 30 4 07 £	Period 4 7 05 to 30 4 06 £
Profit on ordinary activities before tax	<u>2,776</u>	<u>22,513</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2006 - 30%)	833	6,754
Effects of Group relief	<u>(833)</u>	<u>(6,754)</u>
Current tax charge	<u>-</u>	<u>-</u>

6 FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 May 2006 and 30 April 2007	<u>1,001,000</u>
NET BOOK VALUE	
At 30 April 2007	<u>1,001,000</u>
At 30 April 2006	<u>1,001,000</u>

Computationics Group Limited

Notes to the Financial Statements - continued for the Year Ended 30 April 2007

6 FIXED ASSET INVESTMENTS - continued

The company's investments at the balance sheet date in the share capital of companies include the following

Computationics Limited

Nature of business Manufacture of electronic security equipment

Class of shares	% holding		
Ordinary £1	100 00	30 4 07	30 4 06
		£	£
Aggregate capital and reserves		3,747,287	3,464,232
Profit for the year		<u>283,055</u>	<u>648,929</u>

On 16 December 2005, the company acquired 100% of the ordinary share capital of Computationics Limited for a total consideration of £3,636,364

The total consideration comprised the issue of 999 ordinary shares of £1 each in Computationics Group Limited plus a further amount of £1,000,000 in the form of a loan note

7 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £	2006 £
Amounts owed by group undertakings	<u>-</u>	<u>37,900</u>

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £	2006 £
Bank loans and overdrafts (see note 10)	249,178	-
Other loans (see note 10)	250,000	750,000
Amounts owed to group undertakings	403,043	-
Income Tax on loan interest	-	3,077
Accruals and deferred income	<u>24,780</u>	<u>12,310</u>
	<u>927,001</u>	<u>765,387</u>

9 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2007 £	2006 £
Bank loans (see note 10)	47,710	-
Other loans (see note 10)	<u>-</u>	<u>250,000</u>
	<u>47,710</u>	<u>250,000</u>

Computationics Group Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 April 2007**

10 LOANS

An analysis of the maturity of loans is given below

	2007 £	2006 £
Amounts falling due within one year or on demand		
Bank loans	249,178	-
Loan notes	<u>250,000</u>	<u>750,000</u>
	<u>499,178</u>	<u>750,000</u>
Amounts falling due between one and two years		
Bank loans - 1-2 years	47,710	-
Loan notes	<u>-</u>	<u>250,000</u>
	<u>47,710</u>	<u>250,000</u>

11 CALLED UP SHARE CAPITAL

Authorised

Number	Class	Nominal value	£
100,000	Ordinary	£1	<u>100,000</u>

Allotted, issued and fully paid

Number	Class	Nominal value	£
1,000	Ordinary	£1	<u>1,000</u>

On 4 July 2005, one ordinary share of £1 was issued for cash consideration at par

On 16 December 2005, a further 999 ordinary shares of £1 were issued as part consideration for 100% of the ordinary share capital of Computationics Limited

Comptonics Group Limited

Notes to the Financial Statements - continued for the Year Ended 30 April 2007

12 RESERVES

	Profit and loss account £
At 1 May 2006	22,513
Profit for the year	<u>2,776</u>
At 30 April 2007	<u>25,289</u>

13 CONTINGENT LIABILITIES

The company has entered into a group composite guarantee structure with its bankers in respect of Comptonics Limited. The amount of indebtedness of Comptonics Limited at 30 April 2007 was £1,472,894 (2006 - £1,316,178)

14 RELATED PARTY DISCLOSURES

On 16 December 2005, a loan note amounting to £1,000,000 was issued by Comptonics Group Limited to A D Scott, a shareholder holding 17.5% of the ordinary share capital of Comptonics Group Limited and a member of the key management of the company.

The loan note was issued as part consideration for 100% of the ordinary share capital of Comptonics Group Limited.

Repayment of the loan note has commenced with an instalment of £500,000 on 15 June 2006, followed by three instalments of £83,333.33 on 16 September 2006, 16 December 2006 and 16 March 2007.

A further three instalments will take place on each of the 16 June 2007, 16 September 2007 and 16 December 2007.

Interest on the principal amount of the loan note is payable in arrears on each interest payment date in respect of the relevant interest period at the rate prescribed, which is 1/2 % below the LIBOR interest rate. The interest payment dates are 16 June and 16 December of each year.

The company entered into the following transactions with related parties:

Name	Description	2007 £	2006 £
Comptonics Limited	Management charge	40,000	40,000

The sum of £403,043 was due to Comptonics Limited at the balance sheet date (2006 - £37,900 was due from Comptonics Limited).

15 ULTIMATE CONTROLLING PARTY

The ultimate controlling party throughout the period was A W Foster.

Computationics Group Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 April 2007**

16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2007	2006
	£	£
Profit for the financial year	2,776	22,513
Issue of ordinary share capital	-	1,000
Net addition to shareholders' funds	2,776	23,513
Opening shareholders' funds	23,513	-
Closing shareholders' funds	26,289	23,513