

Josiah Parkes & Sons Limited  
Annual report and financial statements  
for the year ended 31 December 2015

Registered number: 00704809

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# **Josiah Parkes & Sons Limited**

## **Annual report and financial statements for the year ended 31 December 2015**

### **Contents**

	Page
Directors' report for the year ended 31 December 2015.....	1
Independent auditors' report to the members of Josiah Parkes & Sons Limited .....	3
Income statement.....	5
Statement of Comprehensive Income for the year ended 31 December 2015 .....	5
Statement of financial position .....	6
Statement of changes in equity.....	7
Notes to the financial statements for the year ended 31 December 2015.....	8

# **Josiah Parkes & Sons Limited**

## **Directors' report for the year ended 31 December 2015**

The directors present their report and the audited financial statements of the company for the year ended 31 December 2015.

### **Principal activities**

The principal activity of the company was previously the manufacture and sale of locks and builders' hardware until the company's trade and assets were transferred to its parent company in 1999. Since that point, the company has not traded.

### **Future developments**

Following the transfer of its trade and assets to Yale Security Products UK Limited on 1 January 1999, the company ceased trading and was dormant until 2015 when it undertook certain transactions as part of a group restructuring. It expects to become a dormant company again in the near future.

### **Results and dividends**

The directors did not recommend or pay a dividend in the year (2014: £nil). The company's loss for the financial year was £2,500,000 (2014: £nil).

### **Change in accounting standards**

The company has adopted FRS101 for the first time. Details of the accounting policies adopted under the new standard are set out in note 1 and details of the impact of transition to FRS 101 are set out in note 10.

### **Directors**

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

N Vann  
J Sasse  
C Browning  
ASSA ABLOY Limited

### **Statement of directors' responsibilities**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

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 United Kingdom Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify the company's shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of 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.

# **Josiah Parkes & Sons Limited**

## **Directors' report for the year ended 31 December 2015 (continued)**

### **Statement of directors' responsibilities (continued)**

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.

### **Statement of disclosure of information to the auditors**

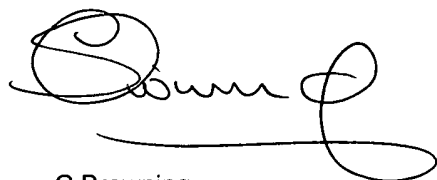
In the case of each of the persons who are directors at the time this report is approved, under Section 418 (1) to (4) of the Companies Act 2006, the following applies;

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant information and to establish that the company's auditors are aware of that information.

### **Small company exemption**

The director's report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. The company has also taken advantage of the exemption available to it not to prepare a strategic report.

On behalf of the board

A handwritten signature in black ink, appearing to read 'C Browning', with a long horizontal flourish extending to the right.

C Browning  
Director  
19 September 2016

# **Josiah Parkes & Sons Limited**

## **Independent auditors' report to the members of Josiah Parkes & Sons Limited**

### **Report on the financial statements**

#### **Our opinion**

In our opinion, Josiah Parkes & Sons Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 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.

#### **What we have audited**

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the statement of financial position as at 31 December 2015;
- the income statement and the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Directors' Report. We have nothing to report in this respect.

### **Other matters on which we are required to report by exception**

#### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

#### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

# **Josiah Parkes & Sons Limited**

## **Independent auditors' report to the members of Josiah Parkes & Sons Limited (continued)**

### **Other matters on which we are required to report by exception (continued)**

#### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

#### **Responsibilities for the financial statements and the audit**

##### **Our responsibilities and those of the directors**

As explained more fully in the Statement of directors' responsibilities set out on pages 1 and 2, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

##### **What an audit of financial statements involves**

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.

##### **Other matter**

The financial statements for the year ended 31 December 2014, forming the corresponding figures of the financial statements for the year ended 31 December 2015, are unaudited.



**Paul Nott (Senior Statutory Auditor)**

for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Birmingham

20 September 2016

## Josiah Parkes & Sons Limited

### Income statement for the year ended 31 December 2015

		Year ended 31 December	
		2015	2014 unaudited
		£'000	£'000
	Note		
<b>Operating result</b>		-	-
Inter-group loan write-off		(2,500)	-
<b>(Loss)/result on ordinary activities before taxation</b>	3	(2,500)	-
Tax on (loss)/result on ordinary activities	5	-	-
<b>(Loss)/result for the financial year</b>		(2,500)	-

All amounts relate to discontinued activities.

### Statement of Comprehensive Income for the year ended 31 December 2015

There is no other comprehensive income for the year pertaining to the retained earnings reserves other than reflected in the income statement above. As such, no separate statement of comprehensive income has been presented.

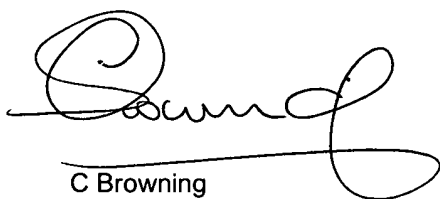
The notes on pages 8 to 13 form part of these financial statements.

# Josiah Parkes & Sons Limited

## Statement of financial position as at 31 December 2015

		As at 31 December	
	Note	2015 £'000	2014 unaudited £'000
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	-	2,500
		-	2,500
<b>Creditors: amounts falling due within one year</b>		-	-
<b>Net current assets and total assets less current liabilities</b>		-	2,500
<b>Capital and reserves</b>			
Called up share capital	7	2,500	2,500
Retained earnings		(2,500)	-
<b>Total shareholders' funds</b>		-	2,500

The financial statements on pages 5 to 13 were approved by the board of directors' on 19 September 2016 and were signed on its behalf by:



C Browning  
Director  
Josiah Parkes & Sons Limited  
Registered number 00704809



## Josiah Parkes & Sons Limited

### Statement of changes in equity for the year ended 31 December 2015

	Called up share capital	Retained earnings	Total Shareholders' funds
	£'000	£'000	£'000
At 1 January 2014	2,500	-	2,500
Result for the financial year	-	-	-
Total comprehensive income for the financial year	-	-	-
<b>At 31 December 2014</b>	<b>2,500</b>	<b>-</b>	<b>2,500</b>
At 1 January 2015	2,500	-	2,500
Loss for the financial year	-	(2,500)	(2,500)
Total comprehensive expense for the financial year	-	(2,500)	(2,500)
<b>At 31 December 2015</b>	<b>2,500</b>	<b>(2,500)</b>	<b>-</b>

# **Josiah Parkes & Sons Limited**

## **Notes to the financial statements for the year ended 31 December 2015 (continued)**

### **1 Principal accounting policies**

#### **General information**

The principal activity of the company was previously the manufacture and sale of locks and builders' hardware until the company's trade and assets were transferred to its parent company in 1999. Since that point, the company has remained dormant. During the year, the company has not traded.

The company is a private company, limited by shares and is incorporated and domiciled in the United Kingdom. Its registered address is Portobello, School Street, Willenhall, West Midlands, WV13 3PW.

#### **Basis of preparation**

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" ("FRS101") and the Companies Act 2006 as amended by SI2015/980 to include an early adoption of the requirements of The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015.

The company has adopted FRS101 for the first time. Details of the impact of transition to FRS 101 are set out in note 10.

The accounting policies set out below have been consistently applied to all the years presented unless otherwise stated. They have been prepared under the historical cost convention, on a going concern basis and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

#### **Exemptions**

As permitted by FRS101, the company has taken advantage of the following disclosure exemptions available under that standard in relation to;

– IFRS 7, 'Financial Instruments: Disclosures'

– Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:

(i) paragraph 79(a)(iv) of IAS 1;

(ii) paragraph 73(e) of IAS 16 Property, plant and equipment;

(iii) paragraph 118(e) of IAS 38 Intangible assets (reconciliations between the carrying amount at the beginning and end of the period)

# **Josiah Parkes & Sons Limited**

## **Notes to the financial statements for the year ended 31 December 2015 (continued)**

### **1 Principal accounting policies (continued)**

#### **Exemptions (continued)**

- The following paragraphs of IAS 1, 'Presentation of financial statements':
  - 10(d), (statement of cash flows)
  - 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements),
  - 16 (statement of compliance with all IFRS),
  - 38A (requirement for minimum of two primary statements, including cash flow statements),
  - 38B-D (additional comparative information),
  - 40A-D (requirements for a third statement of financial position)
  - 111 (cash flow statement information), and
  - 134-136 (capital management disclosures)
- IAS 7, 'Statement of cash flows'.
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

Where relevant, equivalent disclosures have been given in the group financial statements of ASSA ABLOY AB which are available to the public as set out in note 9.

#### **Foreign currencies**

The financial statements are prepared and presented in the functional currency of the company which is Sterling (£).

#### **Taxation**

The income statement includes all tax that is to be paid or received for the current year, adjustments relating to tax due for previous years, and changes in deferred tax.

##### *Current taxation*

Current tax is determined based on the taxable profit for the year and calculated using the tax rates that have been enacted or substantively enacted by the balance sheet date.

##### *Deferred taxation*

Deferred tax is calculated, using the liability method, on temporary differences arising between the tax bases of assets and liabilities their carrying amounts in the financial statements. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws that are enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

# **Josiah Parkes & Sons Limited**

## **Notes to the financial statements for the year ended 31 December 2015 (continued)**

### **1 Principal accounting policies (continued)**

#### **Taxation (continued)**

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and deferred tax liabilities are offset when there is a legal right to do so.

#### **Impairment of assets**

Assets with an indefinite useful life are not amortised but are tested for impairment on an annual basis.

For assets that are depreciated/amortised, impairment testing is carried out when events or circumstances indicate that the carrying value may not be recoverable.

Impairment losses are recognised in the amount by which the carrying amount of the asset exceeds the recoverable amount. The recoverable amount is the higher of the asset's fair value, less selling expenses and value in use. For impairment testing purposes, assets are grouped at the lowest organisational level where there are separate identifiable cash flows, so-called cash generating units (CGU).

#### **Financial assets**

The company classifies its financial assets in the following categories. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. Financial assets include cash and cash equivalents, trade receivables and short-term investments.

#### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payment streams, which are not quoted in an active market. They are recognised in current assets, except for receivables maturing more than 12 months after the reporting date, which are classified as non-current assets.

#### **Dividend**

A dividend is recognised as a liability after the Company's directors have approved the dividend.

### **2 Critical Accounting Estimates and Judgments**

The company makes estimates and assumptions concerning the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, not necessarily equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### *Impairment of amounts receivable*

The company makes an estimate of the recoverable value of all amounts receivable. When assessing impairment of these amounts, management considers factors including the credit rating of the receivable and, for inter-group amounts, the ability of the counter-party to meet the repayments required. Amounts owed by group undertakings at 31 December 2015 have a carrying value of £nil (2014: £2,500,000), following an impairment recorded in the year.

# Josiah Parkes & Sons Limited

## Notes to the financial statements for the year ended 31 December 2015 (continued)

### 3 (Loss)/result on ordinary activities before taxation

There were no employees in the company during the year (2014: nil). The auditors' remuneration of £2,000 (2014: £2,500) was borne by the intermediate parent company, ASSA ABLOY Limited, with no recharges made to the company. There were no non-audit fees paid to the company's auditors in respect of any other service provided to the company in the year.

### 4 Remuneration of directors

None of the directors received emoluments from the company in respect of their services as directors of the company. It is not possible to make an accurate apportionment of each directors' emoluments received from the immediate parent in respect of their services to the company and no recharges have been made to the company from the immediate parent during the year (2014: £nil).

### 5 Tax on (loss)/result on ordinary activities

There is no current or deferred taxation charge included in the income statement or statement of comprehensive income in the year (2014: £nil). There are also no recognised or unrecognised deferred tax assets or liabilities as at 31 December 2015 (2014: £nil).

The tax assessed for the year is higher than (2014: equal to) the standard effective rate of corporation tax in the UK for the year ended 31 December 2015 of 20.25% (2014: 21.5%). The differences are explained by:

	2015	2014 unaudited
	£'000	£'000
<b>(Loss)/result on ordinary activities before taxation</b>	<b>(2,500)</b>	-
(Loss)/result on ordinary activities multiplied by standard rate in the UK 20.25% (2014: 21.50%)	(506)	-
Effects of:		
Expenses not deductible for tax purposes	506	-
<b>Tax charge for the year</b>	-	-

During the year the main corporation tax rate was reduced from 21% (by the Finance Act 2014), to 20% which became effective from 1 April 2015. Accordingly, the company's profits for the year are taxed at an effective rate of 20.25%.

Changes to reduce the UK corporation tax rate to 19% from 1 April 2017 and to 18% from 1 April 2020 were substantively enacted on 26 October 2015. The effects of these changes are included in these financial statements.

A further change to the UK corporation tax rate was announced in the Chancellor's Budget on 16 March 2016. The change announced is to reduce the main rate to 17% from 1 April 2020. As the change had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements. The overall effect of that change, if it had applied to the deferred tax assets at the balance sheet date, is considered immaterial.

# Josiah Parkes & Sons Limited

## Notes to the financial statements for the year ended 31 December 2015 (continued)

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

	2015	2014 unaudited
	£'000	£'000
Amounts falling due within one year:		
Amounts owed by group undertakings	-	2,500
	-	2,500

Amounts owed by group undertakings are unsecured, interest free and have no fixed date for repayment.

### 7 Called up share capital

	2015	2014 unaudited
	£'000	£'000
<b>Allotted and fully paid</b>		
2,500,000 (2014: 2,500,000) Ordinary shares of £1 each	2,500	2,500
	2,500	2,500

### 8 Related party transactions

The company is a wholly owned subsidiary of ASSA ABLOY AB, the group financial statements of which are publicly available. The company has taken advantage of the exemption withing FRS 101, para 8(k) from disclosing transactions with wholly owned members of the ASSA ABLOY AB group.

There were no other related party transactions within the year (2014: none).

### 9 Ultimate parent undertaking

The company's immediate parent undertaking is Security Products UK Limited.

The company's ultimate parent undertaking is ASSA ABLOY AB which is also considered the ultimate controlling party.

The only group in which the financial statements of the company are consolidated is that headed by ASSA ABLOY AB, incorporated in Sweden.

The consolidated financial statements are available to the public and may be obtained from ASSA ABLOY AB, Klarabergsviadukten 90, Box 70340, S-10723 Stockholm, Sweden.

# **Josiah Parkes & Sons Limited**

## **Notes to the financial statements for the year ended 31 December 2015 (continued)**

### **10 Transition to FRS 101**

This is the first year that the company has presented its results under FRS 101. The last financial statements under UK GAAP were for the year ended 31 December 2014. The date of transition to FRS 101 was 1 January 2014. The directors have considered the new accounting policies adopted under FRS 101 as set out in note 1 and no material impacts on the financial statements as a result of the transition have been identified.

There is no material difference in the result for the financial year ended 31 December 2014 and the total equity as at 1 January 2014 and 31 December 2014 between UK GAAP as previously reported and FRS 101.