Magal Investments Limited Liability Partnership

Members’ Report and Financial Statements

5 April 2014
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Magal Investments Limited Liability Partnership
Partnership information

Designated Members
Lutea Trustees Limited, representing The Magal Trust (G. Magal acting as protector)
KG Lowen
D Woolford

Secretary
KG Lowen

Registered Office
47 Castle Street, Reading, Berkshire RG1 7SR

Registered Number
OC312886
Magal Investments Limited Liability Partnership
Members’ Report

The members present their report and accounts for the year ended 5 April 2014.

Principal activities and review of the business

The partnership operates an investment business.

Returns to members

Magal Investments Limited Liability’s policy is to distribute profits to members through a share of residual profits not retained for future investment in the business.

The capital requirements of the partnership are determined from time-to-time by the Board. No interest is paid as capital. On leaving the partnership a member’s capital must be repaid. Members’ capital is therefore considered a liability of the partnership.

Members’ statement

The members are responsible for preparing the Members’ Report and the LLP financial statements in accordance with applicable law and regulations.

The law relating to Limited Liability Partnerships (LLPs) requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the LLP financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice). Under the law the members 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 LLP and the profit or loss for that period.

In preparing these financial statements, the members are required to:

• select suitable accounting policies and then apply them consistently;

• make judgments and estimates that are reasonable and prudent;

• state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

• prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

Under the Limited Liability Partnership Regulations 2001, the members are responsible for keeping adequate accounting records that are sufficient to show and explain the financial position of the partnership and enable them to ensure that its financial statements comply with those Regulations. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the LLP and to prevent and detect fraud and other irregularities.

This report was approved by the board on 3rd December 2014.

KG Lowen
Secretary
Magal Investments Limited Liability Partnership  
Profit and Loss Account  
For the year ended 5 April 2014  

<table>
<thead>
<tr>
<th></th>
<th>2014 £</th>
<th>2013 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating loss</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss on ordinary activities before taxation</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Tax on profit on ordinary activities</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loss for the year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retained loss for the year</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Continuing operations  
All amounts relate to continuing activities  

Statement of total recognised gains and loss  
All recognised gains and losses are included in the profit and loss account  

The notes on pages 5 to 6 form part of these financial statements
Magal Investments Limited Liability Partnership
Registered Number OC312886
Balance Sheet
As at 5 April 2014

<table>
<thead>
<tr>
<th>Notes</th>
<th>2014 £</th>
<th>2013 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Assets</td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td>Creditors: amounts falling due after one year</td>
<td>595.723</td>
<td>595.723</td>
</tr>
<tr>
<td>Net (Liabilities)/Assets</td>
<td>(495.723)</td>
<td>(495.723)</td>
</tr>
</tbody>
</table>

Represented by:

| Total members’ interests | 5 | (495.723) | (495.723) |

The members have taken advantage of the exemption from statutory audit conferred by Section 477 of the Companies Act 2006.

The members acknowledge their responsibilities for:

(i) ensuring that the partnership keeps adequate accounting records that are sufficient to show and explain the partnerships transactions and disclose with reasonable accuracy at any time the financial position of the partnership and to enable them to ensure that its financial statements comply with Limited Liability Partnership Act 2000; and

(ii) preparing accounts which give a true and fair view of the state of affairs of the partnership as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 394 of the Companies Act 2006, and which otherwise comply with the requirements of this act relating to accounts, so far as applicable to the partnership.

The notes on pages 5 to 6 form part of these financial statements

K Lowen
Designated Member
Approved by the board on 3rd December 2014.
Magal Investments Limited Liability Partnership
Notes to the Accounts
For the year ended 5 April 2014

1 Accounting policies

Accounting convention
The financial statements have been prepared in accordance with applicable accounting standards and the requirements of the statement of recommended practice “Accounting by Limited Liability Partnerships”.

Investments/Fixed Assets
Investments/Fixed Assets are stated at cost less any provision for impairment in value.

Taxation
The taxation payable during the year on the profits of the LLP is the personal liability of the members and consequently neither taxation nor related deferred taxation are accounted for in the financial statements. Amounts retained for members’ personal tax liabilities are treated in the same way as other profits of the LLP and are included in ‘Members interests’ or in ‘Loans and other debts due to members’ depending on whether or not an allocation of profits has occurred.

2 Tangible fixed assets

<table>
<thead>
<tr>
<th></th>
<th>Freehold Land £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td></td>
</tr>
<tr>
<td>At 6 April 2013 and 5 April 2014</td>
<td>100,000</td>
</tr>
</tbody>
</table>

3 Investments

<p>| |</p>
<table>
<thead>
<tr>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost at 6 April 2013 and 5 April 2014</td>
</tr>
</tbody>
</table>

The partnership holds 20% or more of the share capital of the following companies:

<table>
<thead>
<tr>
<th>Company</th>
<th>Country of Registration/Incorporation</th>
<th>Share Held/Class</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recognix Technologies Limited</td>
<td>Israel</td>
<td>Ordinary 33%</td>
</tr>
</tbody>
</table>

In the members opinion, it remains appropriate to maintain the carrying value of this investment at £nil.
4 Creditors: amount falling due after one year

Other creditors amount due to members’ other interests  595,723  595,723

The partnership received loans on 14 June 2010 from the members which total £595,723. These loans are repayable on or after 14 June 2013.

5. Members’ other interests

Members’ Capital  100,000  100,000
Other reserves  (595,723)  (595,723)

(495,723)  (495,723)

6 Ultimate controlling member

The ultimate controlling member is Lutea Trustees Limited, representing the Magal Trust by virtue of its shareholding.