

# Softcat Limited

## Statement of financial position

As at 31 July 2015

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	Notes	2015	2014
		£'000	£'000
<b>Non-current assets</b>			
Property, plant and equipment	7	6,997	6,607
Intangible assets	8	458	523
Investment in subsidiaries	9	-	-
Deferred tax asset	14	678	535
		<b>8,133</b>	<b>7,665</b>
<b>Current assets</b>			
Inventories	10	2,652	4,481
Trade and other receivables	11	121,952	100,195
Cash at bank and in hand	13	74,642	37,720
		<b>199,246</b>	<b>142,396</b>
<b>Total assets</b>		<b>207,379</b>	<b>150,061</b>
<b>Current liabilities</b>			
Trade and other payables	12	(108,053)	(74,503)
Income tax payable		(3,510)	(3,259)
		<b>(111,563)</b>	<b>(77,762)</b>
<b>Net assets</b>		<b>95,816</b>	<b>72,299</b>
<b>Equity</b>			
Issued share capital	16	98	95
Share premium account		3,942	2,865
Other reserves		(3,994)	(1,469)
Retained earnings		95,770	70,808
<b>Total equity</b>		<b>95,816</b>	<b>72,299</b>

These financial statements were approved by the Board of Directors and authorised for issue on 19 October 2015

On behalf of the Board

*M. J. Hellawell*

Martin Hellawell  
Chief Executive Officer

*Graham Charlton*

Graham Charlton  
Chief Financial Officer

Softcat Limited Company Registration Number 02174990

# Softcat Limited

## Notes to the financial statements (continued)

For the year ended 31 July 2015

### 7 Property, plant and equipment

	Freehold buildings	Building improvements	Computer equipment	Fixtures, fittings & equipment	Motor Vehicles	Total
Cost	£'000	£'000	£'000	£'000	£'000	£'000
At 31 July 2014	2,649	1,465	4,839	824	180	9,957
Additions	-	283	1,700	166	68	2,217
Disposals	-	(20)	-	(45)	(14)	(79)
At 31 July 2015	2,649	1,728	6,539	945	234	12,095
<b>Depreciation</b>						
At 31 July 2014	50	237	2,613	334	116	3,350
On disposals	-	(4)	-	(28)	(14)	(46)
Charge for the year	25	168	1,412	148	41	1,794
At 31 July 2015	75	401	4,025	454	143	5,098
<b>Net book value</b>						
At 31 July 2015	2,574	1,327	2,514	491	91	6,997
At 31 July 2014	2,599	1,228	2,226	490	64	6,607

# Softcat Limited

## Notes to the financial statements (continued)

For the year ended 31 July 2015

### 8 Intangible assets

	Computer Software
Cost	£'000
At 31 July 2014	888
Additions	288
At 31 July 2015	<u>1,176</u>
Amortisation	
At 31 July 2014	365
Charge for the year	353
At 31 July 2015	<u>718</u>
Net book value	
At 31 July 2015	<u>458</u>
At 31 July 2014	<u>523</u>

The amortisation of intangible assets is included in administrative expenses within the income statement. See Note 3.

Intangible assets, consisting entirely of non-integral computer software assets, are amortised over their estimated useful lives of 3-5 years.

### 9 Investments in subsidiaries

	Shares in subsidiary undertakings
Cost and Net book value	£
At 31 July 2015	-
At 31 July 2014	<u>2</u>

On 9 September 2014 confirmation was received that Software Licensing Limited, whose shares were 100% owned by Softcat Limited, had been dissolved. Software Licensing Limited remained dormant until the date of dissolution.

### 10 Inventories

	2015	2014
	£'000	£'000
Finished goods and goods for resale	<u>2,652</u>	<u>4,481</u>

The amount of any write down of inventory recognised as an expense in the year was £nil (2014: £nil).

# Softcat Limited

## Notes to the financial statements (continued)

For the year ended 31 July 2015

### 11 Trade and other receivables

	2015	2014
	£'000	£'000
Trade and other receivables	112,943	93,640
Provision against receivables	(1,008)	(1,674)
Net trade receivables	111,935	91,966
Called up share capital not paid	1,783	2,457
Other debtors	49	70
Prepayments	3,785	2,250
Accrued income	4,400	3,452
	121,952	100,195

Trade receivables do not carry interest. The average credit period on sale of goods is 46 days (2014 48 days)

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value

The ageing profile of trade receivables was as follows

	2015	Related provision	Net	2014	Related provision	Net
	£'000	£'000	£'000	£'000	£'000	£'000
Current	74,892	(187)	74,705	55,986	(545)	55,441
1-30 days	30,236	(76)	30,160	26,829	(268)	26,561
31-60 days	4,046	(38)	4,008	5,456	(57)	5,399
61-90 days	2,057	(9)	2,048	4,486	(145)	4,341
Over 90 days	1,712	(698)	1,014	883	(659)	224
<b>Total due</b>	<b>112,943</b>	<b>(1,008)</b>	<b>111,935</b>	<b>93,640</b>	<b>(1,674)</b>	<b>91,966</b>

The Company provides against trade receivables where there are serious doubts as to future recoverability based on prior experience, on assessment of the current economic climate and on the length of time that the receivable has been overdue

# Softcat Limited

## Notes to the financial statements (continued)

For the year ended 31 July 2015

### 11 Trade and other receivables (continued)

Movement in the provision for trade receivables was as follows

	2015	2014
	£'000	£'000
Balance at beginning of year	1,674	1,554
Increase for trade receivables regarded as potentially uncollectable	472	1,265
Decrease in provision for trade receivables recovered, or written off, during the year	(1,138)	(1,145)
<b>Balance at end of year</b>	<b>1,008</b>	<b>1,674</b>

See Note 19 for details on how the Company approaches its exposure to credit risk

The Company does not hold collateral as security

### 12 Trade and other payables

	2015	2014
	£'000	£'000
Trade payables	71,213	48,082
Other taxes and social security	9,209	5,650
Accruals	23,361	17,805
Deferred income	4,270	2,966
	<b>108,053</b>	<b>74,503</b>

The Directors consider that the carrying amount of trade and other payables approximates to their fair value

The average credit period taken for trade purchases is 35 days (2014 30 days)

### 13 Cash at bank and in hand

	2015	2014
	£'000	£'000
Cash at bank and in hand	74,642	37,720

Cash and cash equivalents comprise cash at bank and cash in hand. Cash at bank earns interest at floating rates based on daily bank deposit rates. All cash held is accessible and is not restricted for any period of time.

# Softcat Limited

## Notes to the financial statements (continued)

For the year ended 31 July 2015

### 14 Deferred tax

The deferred tax asset is made up as follows:

	2015	2014
	£'000	£'000
Accelerated capital allowances	90	104
Share-based payments	(625)	(480)
Other timing differences	(143)	(159)
<b>Net deferred tax assets</b>	<b>(678)</b>	<b>(535)</b>

#### Reconciliation of deferred tax asset

Balance at 1 August 2013	(682)
Profit and loss account	147
Balance as at 31 July 2014	(535)
Profit and loss account	(304)
Charge to equity	161
Balance as at 31 July 2015	(678)

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority

# Softcat Limited

## Notes to the financial statements (continued)

For the year ended 31 July 2015

### 16 Share capital

	2015	2014
	£'000	£'000
<b>Authorised</b>		
11,204,245 ordinary shares of 1p each	112	112
188,500 'MR' shares of 1p each	2	2
607,255 'A' ordinary shares of 1p each	6	6
	<u>120</u>	<u>120</u>
<b>Allotted and called up</b>		
8,954,030 (2014 8,708,863) ordinary shares of 1p each	90	87
188,500 (2014 188,500) 'MR' shares of 1p each	2	2
607,255 (2014 607,255) 'A' ordinary shares of 1p each	6	6
	<u>98</u>	<u>95</u>

During the year 5,000 shares were issued to satisfy share awards made under a deferred purchase scheme. These shares were issued on 8 December 2014 at a price of £19.26 per share. This share award was subsequently forfeited on 31 July 2015 and the proceeds of £96,300 have been written off to retained earnings and the shares are now held in treasury.

Share issue proceeds of £1,782,615 remain unpaid at 31 July 2015.

The 8,954,030 (2014 8,708,863) issued ordinary shares of 1p each above consist of 8,701,030 (2014 8,360,863) fully paid up shares and 253,000 (2014 348,000) allotted, called up and nil paid shares.

The 188,500 ordinary 'MR' shares of 1p each are allotted, called up and fully paid.

All shares rank *pari passu* in all respects save that in respect of dividends. Dividends may be declared in respect of one or more classes of shares to the exclusion of the other classes, save that any dividend declared on the Ordinary Shares shall be also declared on the 'A' ordinary shares and the 'MR' shares.

On 9 December 2014 the Company provided assistance to an Employee Benefit Trust in the form of an interest free loan of £2,579,434 to enable it to purchase shares from existing shareholders.