

REGISTERED NUMBER: 02691706 (England and Wales)

ROCC COMPUTERS LIMITED

Financial Statements for the Year Ended 31 March 2019

**Contents of the Financial Statements
for the year ended 31 March 2019**

	Page
Company Information	1
Statement of Financial Position	2
Notes to the Financial Statements	3

ROCC COMPUTERS LIMITED

**Company Information
for the year ended 31 March 2019**

DIRECTORS: P J Aldrich
L P Aldrich

SECRETARY: K J Bristow

REGISTERED OFFICE: Stanford Gate
South Road
Brighton
Sussex
BN1 6SB

REGISTERED NUMBER: 02691706 (England and Wales)

SENIOR STATUTORY AUDITOR: Chris Morey

AUDITORS: Feist Hedgethorne Limited
Statutory Auditors
Chartered Accountants
Preston Park House
South Road
Brighton
East Sussex
BN1 6SB

ROCC COMPUTERS LIMITED (REGISTERED NUMBER: 02691706)

**Statement of Financial Position
31 March 2019**

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	4	780,442	1,448,203
Investments	5	-	-
Investment property	6	815,095	-
		<u>1,595,537</u>	<u>1,448,203</u>
CURRENT ASSETS			
Stocks		9,662	9,435
Debtors	7	2,226,881	1,051,514
Cash at bank		995,250	965,258
		<u>3,231,793</u>	<u>2,026,207</u>
CREDITORS			
Amounts falling due within one year	8	(1,858,772)	(989,258)
NET CURRENT ASSETS		<u>1,373,021</u>	<u>1,036,949</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,968,558	2,485,152
PROVISIONS FOR LIABILITIES		(76,086)	-
PENSION LIABILITY	12	(2,552,000)	(2,065,000)
NET ASSETS		<u>340,472</u>	<u>420,152</u>
CAPITAL AND RESERVES			
Called up share capital	10	800,101	800,101
Revaluation reserve		1,187,269	999,327
Retained earnings		(1,646,898)	(1,379,276)
SHAREHOLDERS' FUNDS		<u>340,472</u>	<u>420,152</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 19 December 2019 and were signed on its behalf by:

L P Aldrich - Director

The notes form part of these financial statements

**Notes to the Financial Statements
for the year ended 31 March 2019**

1. STATUTORY INFORMATION

ROCC Computers Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The presentation currency of the financial statements is the Pound Sterling (£), which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest pound.

Preparation of consolidated financial statements

The financial statements contain information about ROCC Computers Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates and these estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The items in the financial statements where these judgements and estimates have been made include the useful economic life of tangible fixed assets, the depreciation and amortisation of these assets, stock obsolescence, provisions and recoverability of debtors.

The company's key sources of estimation uncertainty include:

(a) Pension and other post-employment benefits

The cost of the defined benefit pension scheme is determined using actuarial valuations. These involve making assumptions about discount rates, future salary increases, mortality rates and future pension increase. Due to the complexity of the valuation, the underlying assumptions and the long term nature of this scheme, such estimates are subject to significant uncertainty. Management estimates these factors in determining the net pension obligation in the statement of financial position.

Turnover

Turnover represents the fair value of consideration received or receivable and represents the amount receivable for goods supplied or services rendered. Revenue is recognised when goods are invoiced and despatched to customers or services are provided and is stated net of VAT and trade discounts.

Revenue from contracts for the provision of services is recognised over the length of the contract.

Notes to the Financial Statements - continued
for the year ended 31 March 2019

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended by management.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	-	straight line over 3, 5 and 10 years
Plant and machinery	-	straight line over 3, 5 and 10 years
Fixtures and fittings	-	straight line over 3, 5 and 10 years
Computer equipment	-	straight line over 2, 3 and 5 years

Impairment policy

At each balance sheet date, the company reviews the carrying amount of its assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Notes to the Financial Statements - continued
for the year ended 31 March 2019

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates two pension schemes for employees:

1. Defined contribution scheme - The assets of the scheme are held separately from those of the company in independently administered funds. Contributions are charged to the profit and loss account as incurred.
2. Defined benefit scheme - To provide benefits to past and one present employee based on employees' final pensionable pay. The scheme was closed to new entrants on 1 April 1991. The assets of the scheme are held separately from those of the company with investment portfolio managers. Contributions are determined by qualified actuaries using the attained age method, making allowances for projected earnings.

The difference between the fair value of the assets held in the company's defined benefit pension scheme and the scheme's liabilities measured on the actuarial basis using the projected unit method are recognised in the company's balance sheet as a pension asset or liability as appropriate. The carrying value of any resulting pension scheme asset is restricted to the extent that the group is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme. Deferred tax is recognised with the principles described in the deferred tax accounting policy above.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income, together with the return on plan assets, less amounts included in net interest.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss within other finance costs as 'interest on pension scheme'.

The deficit on the scheme is recognised in full and is presented on the face of the statement of financial position gross of the associated deferred tax asset.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 28 (2018 - 34) .

Notes to the Financial Statements - continued
for the year ended 31 March 2019

4. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures, Fittings & equipment £	Computer equipment £	Totals £
COST OR VALUATION					
At 1 April 2018	1,698,019	26,490	61,533	276,289	2,062,331
Additions	-	2,466	-	1,288	3,754
Revaluations	(118,019)	-	-	-	(118,019)
Reclassification	(815,095)	-	-	-	(815,095)
At 31 March 2019	<u>764,905</u>	<u>28,956</u>	<u>61,533</u>	<u>277,577</u>	<u>1,132,971</u>
DEPRECIATION					
At 1 April 2018	278,996	21,240	53,334	260,558	614,128
Charge for year	26,966	2,421	4,681	10,295	44,363
Revaluation adjustments	(305,962)	-	-	-	(305,962)
At 31 March 2019	<u>-</u>	<u>23,661</u>	<u>58,015</u>	<u>270,853</u>	<u>352,529</u>
NET BOOK VALUE					
At 31 March 2019	<u>764,905</u>	<u>5,295</u>	<u>3,518</u>	<u>6,724</u>	<u>780,442</u>
At 31 March 2018	<u>1,419,023</u>	<u>5,250</u>	<u>8,199</u>	<u>15,731</u>	<u>1,448,203</u>

Cost or valuation at 31 March 2019 is represented by:

	Freehold property £	Plant and machinery £	Fixtures, Fittings & equipment £	Computer equipment £	Totals £
Valuation in 2010	557,366	-	-	-	557,366
Valuation in 2012	(92,078)	-	-	-	(92,078)
Valuation in 2013	(4,138)	-	-	-	(4,138)
Valuation in 2015	610,176	-	-	-	610,176
Valuation in 2019	(118,019)	-	-	-	(118,019)
Valuation in 2019	(815,095)	-	-	-	(815,095)
Cost	<u>626,693</u>	<u>28,956</u>	<u>61,533</u>	<u>277,577</u>	<u>994,759</u>
	<u>764,905</u>	<u>28,956</u>	<u>61,533</u>	<u>277,577</u>	<u>1,132,971</u>

During the year under review the freehold property was revalued as at 31 March 2019 and a proportion of the freehold property was reclassified as an investment property. The property was revalued to £1,580,000 and £815,095 was subsequently reclassified as investment property.

The investment property was valued at 31 March 2019 by Stiles Harrold Williams an LLP regulated by RICS.

5. FIXED ASSET INVESTMENTS

The company has a fixed asset investment in the share capital of Rocc Credit Limited which is held at £NIL value (2018: £NIL).

**Notes to the Financial Statements - continued
for the year ended 31 March 2019**

6. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
Reclassification/transfer	815,095
At 31 March 2019	815,095
NET BOOK VALUE	
At 31 March 2019	815,095

The investment property was valued at 31 March 2019 by Stiles Harrold Williams an LLP regulated by RICS.

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	1,397,203	364,621
Other debtors	829,678	686,893
	<u>2,226,881</u>	<u>1,051,514</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Bank loans and overdrafts	567	-
Trade creditors	370,534	173,954
Taxation and social security	287,765	119,539
Other creditors	1,199,906	695,765
	<u>1,858,772</u>	<u>989,258</u>

9. SECURED DEBTS

ROCC Computers Pension Trustee Limited holds a legal mortgage on the freehold property.

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2019	2018
Number:	Class:	Nominal value:	£	£
8,000,007	Ordinary	10p	<u>800,101</u>	<u>800,101</u>

11. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Chris Morey (Senior Statutory Auditor)
for and on behalf of Feist Hedgethorpe Limited

**Notes to the Financial Statements - continued
for the year ended 31 March 2019**

12. EMPLOYEE BENEFIT OBLIGATIONS

The group and company operate two pension schemes for employees. Details of the scheme are as follows:

Defined contribution scheme

The group operates a money purchase scheme for employees of the company. The assets of the scheme are held separately from those of the company in independently administered funds.

Defined benefit scheme

This pension scheme, which is in respect of past employees of the company, is to provide benefits based on employees' final pensionable pay. The scheme was closed to new entrants on 1 April 1991. The assets of the scheme are held separately from those of the parent undertaking, being invested with investment portfolio managers. Contributions to the scheme are determined by the company based calculations prepared by independently qualified actuaries, on the basis of a triennial valuation, using the attained age method in which the actuarial liability makes allowances for projected earnings.

The most recent full actuarial valuation of the scheme was performed by the Scheme Actuary as at 1 April 2018. This valuation revealed a funding shortfall. The Company has agreed to pay £50,000 pa from 1 April 2019 for a period of 21 years and 10 months, increasing at 3% pa. In addition, the Company will meet the Scheme's expenses from 1 April 2021. The Company expects to pay £50,000 to the Scheme during the accounting year beginning 1 April 2019. The results of the 2018 valuation have been updated to 31 March 2019 by a qualified independent actuary.

The amounts recognised in profit or loss are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Current service cost	-	-
Net interest from net defined benefit asset/liability	58,000	60,000
Curtailment cost	-	-
Administration expenses	139,000	117,000
	<u>197,000</u>	<u>177,000</u>
Actual return on plan assets	<u>82,000</u>	<u>(58,000)</u>

Notes to the Financial Statements - continued
for the year ended 31 March 2019

12. **EMPLOYEE BENEFIT OBLIGATIONS - continued**

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Opening defined benefit obligation	13,014,000	13,577,000
Interest income	344,000	365,000
Actuarial losses/(gains)	372,000	(295,000)
Benefits paid	(609,000)	(633,000)
	13,121,000	13,014,000

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Opening fair value of scheme assets	10,949,000	11,452,000
Administration costs	(139,000)	(117,000)
Interest income	286,000	305,000
Expected return	82,000	(58,000)
Benefits paid	(609,000)	(633,000)
	10,569,000	10,949,000

The amounts recognised in other comprehensive income are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Actuarial gains/(losses)	(372,000)	295,000
Actual returns on assets less interest	82,000	(58,000)
	(290,000)	237,000

**Notes to the Financial Statements - continued
for the year ended 31 March 2019**

12. EMPLOYEE BENEFIT OBLIGATIONS - continued

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Cash	86,000	52,000
Property	370,000	391,000
Mixed Fund	10,113,000	10,506,000
	10,569,000	10,949,000

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2019	2018
Discount rate	2.60%	2.70%
Future pension increases	3.40%	3.40%
Retail Price Index	3.10%	2.90%
Consumer Price Index	2.00%	1.80%
Inflation linked increases in deferment	2.00%	1.80%
Increases for GMP	1.90%	1.80%
Retail Price Index - post retirement	3.20%	3.10%
Consumer Price Index - post retirement	2.10%	2.00%

The mortality assumptions adopted at 31 March 2019 imply the following life expectancies:

Expectancy in years	2019	2018
Male aged 65 in 2019	19.8	20.0
Female aged 65 in 2019	21.7	21.9
Male at age 65, aged 45 in 2019	20.5	20.7
Female at age 65, aged 45 in 2019	22.6	22.8

13. EQUITY RESERVES

Share capital - This represents the nominal value of shares that have been issued.

Retained earnings - Includes all current and prior period retained profits and losses.

Revaluation reserve - Includes all current and prior period revaluations on assets.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.