

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

FOR

COMPUTER RISK MANAGEMENT LTD

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for the Year Ended 31 March 2021

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COMPUTER RISK MANAGEMENT LTD

COMPANY INFORMATION  
for the Year Ended 31 March 2021

**DIRECTORS:**

Mr G L Vickers  
Mr J R Kight  
Mrs S L Kight

**SECRETARY:**

Mr G L Vickers

**REGISTERED OFFICE:**

6 Edward Court  
Altrincham Business Park  
Altrincham  
Cheshire  
WA14 5GL

**REGISTERED NUMBER:**

02783851 (England and Wales)

**AUDITORS:**

C. Wilkinson & Co.  
Chartered Accountants and Statutory Auditors  
Britannic House  
657 Liverpool Road  
Irlam  
Manchester  
Greater Manchester  
M44 5XD

STRATEGIC REPORT  
for the Year Ended 31 March 2021

The directors present their strategic report for the year ended 31 March 2021.

The companies principal activity remained that of the supply of computer hardware, consumables and equipment.

The director's are satisfied with the trading performance of the company during the year. The level of profitability recorded in the year was driven by a consolidation of sales turnover as a result of continued and improving e commerce presence in the market.

**REVIEW OF BUSINESS**

Key performance indicators are considered to be those that communicate the financial performance of the company as a whole, being sales and gross profit.

As a result of its activities the directors are pleased to report that although sales turnover decreased by 3.95% to £49,442,223, the cash position increased to £12,012,762 and trading EBITDA for the year was £5,713,069.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risk and uncertainty to the business arises from the prevailing economic conditions. To mitigate the impact on sales the company continues to develop its links with the manufacturers to ensure the new products and ranges are available to its customers on a timely basis.

The company's operations expose it to a variety of financial risks that include the effects of changes in debt, market prices, credit risk, liquidity risk and foreign exchange risk. The company has a risk management programme that seeks to limit the adverse effects on the financial performance of the company. The company has implemented policies that require appropriate credit checks before a sale is made. The company manages its cash requirements in order to maximise interest income while ensuring the company has significant liquid resources to meet the operating needs of the business.

**ON BEHALF OF THE BOARD:**

Mr G L Vickers - Secretary

22 December 2021

REPORT OF THE DIRECTORS  
for the Year Ended 31 March 2021

The directors present their report with the financial statements of the company for the year ended 31 March 2021.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of supply of computer hardware, consumables and equipment.

**DIVIDENDS**

The total distribution of dividends for the year ended 31 March 2021 will be £ 3,209,823 .

**DIRECTORS**

The directors set out in the table below have held office during the whole of the period from 1 April 2020 to the date of this report.

The beneficial interests of the directors holding office at 31 March 2021 in the shares of the company, according to the register of directors' interests, were as follows:

|                                       | 31.3.21 | 1.4.20 |
|---------------------------------------|---------|--------|
| <b>Ordinary 'A' shares of £1 each</b> |         |        |
| Mr G L Vickers                        | 50      | 50     |
| Mr J R Kight                          | 50      | 50     |
| Mrs S L Kight                         | -       | -      |
| <b>Ordinary 'B' shares of £1 each</b> |         |        |
| Mr G L Vickers                        | 2       | 2      |
| Mr J R Kight                          | -       | -      |
| Mrs S L Kight                         | 2       | 2      |

These directors did not hold any non-beneficial interests in any of the shares of the company.

**POLITICAL DONATIONS AND EXPENDITURE**

During the year the company made charitable donations of £450 (2020 - £935).

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

REPORT OF THE DIRECTORS  
for the Year Ended 31 March 2021

**AUDITORS**

The auditors, C. Wilkinson & Co., will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

Mr G L Vickers - Secretary

22 December 2021

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
COMPUTER RISK MANAGEMENT LTD**

**Opinion**

We have audited the financial statements of Computer Risk Management Ltd (the 'company') for the year ended 31 March 2021 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its profit 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.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**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 Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
COMPUTER RISK MANAGEMENT LTD

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.



**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of an audit in accordance with ISAs (UK), the auditor exercises professional judgment and maintains professional skepticism throughout the audit.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental (including Waste Electrical and Electronic Equipment recycling (WEEE) Regulations 2013) and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
COMPUTER RISK MANAGEMENT LTD

- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors where applicable.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 a Report of the Auditors 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.

Colin Wilkinson (Senior Statutory Auditor)  
for and on behalf of C. Wilkinson & Co.  
Chartered Accountants and Statutory Auditors  
Britannic House  
657 Liverpool Road  
Irlam  
Manchester  
Greater Manchester  
M44 5XD

22 December 2021

**INCOME STATEMENT**  
**for the Year Ended 31 March 2021**

|  | Notes | 31.3.21<br>£ | 31.3.20<br>£ |
|--|-------|--------------|--------------|
| <b>TURNOVER</b>                        | 3     | 49,472,223   | 51,509,293   |
| Cost of sales                          |       | (39,060,806) | (41,050,688) |
| <b>GROSS PROFIT</b>                    |       | 10,411,417   | 10,458,605   |
| Administrative expenses                |       | (4,670,623)  | (5,640,557)  |
|  |       | 5,740,794    | 4,818,048    |
| Other operating income                 |       | 67,147       | -            |
| <b>OPERATING PROFIT</b>                | 6     | 5,807,941    | 4,818,048    |
| Income from fixed asset investments    | 7     | 8,097        | 243          |
| Interest receivable and similar income | 8     | 20,474       | 30,295       |
|  |       | 5,836,512    | 4,848,586    |
| Interest payable and similar expenses  | 9     | -            | (1,035)      |
| <b>PROFIT BEFORE TAXATION</b>          |       | 5,836,512    | 4,847,551    |
| Tax on profit                          | 10    | (1,115,676)  | (931,139)    |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>   |       | 4,720,836    | 3,916,412    |

OTHER COMPREHENSIVE INCOME  
for the Year Ended 31 March 2021

|                                   | Notes | 31.3.21<br>£     | 31.3.20<br>£     |
|-----------------------------------|-------|------------------|------------------|
| <b>PROFIT FOR THE YEAR</b>        |       | 4,720,836        | 3,916,412        |
| <b>OTHER COMPREHENSIVE INCOME</b> |       | -                | -                |
| <b>TOTAL COMPREHENSIVE INCOME</b> |       | -                | -                |
| <b>FOR THE YEAR</b>               |       | <u>4,720,836</u> | <u>3,916,412</u> |

**BALANCE SHEET****31 March 2021**

|  | Notes | 31.3.21<br>£        | 31.3.20<br>£       |
|--|-------|---------------------|--------------------|
| <b>FIXED ASSETS</b>                          |       |                     |                    |
| Intangible assets                            | 12    | 1                   | 1                  |
| Tangible assets                              | 13    | 660,705             | 606,016            |
| Investments                                  | 14    | 9                   | 9                  |
|  |       | <u>660,715</u>      | <u>606,026</u>     |
| <b>CURRENT ASSETS</b>                        |       |                     |                    |
| Stocks                                       | 15    | 3,863,640           | 2,037,990          |
| Debtors                                      | 16    | 1,045,845           | 1,117,299          |
| Prepayments and accrued income               |       | 1,567,061           | 1,930,414          |
| Cash at bank and in hand                     |       | <u>12,012,762</u>   | <u>7,214,678</u>   |
|  |       | 18,489,308          | 12,300,381         |
| <b>CREDITORS</b>                             |       |                     |                    |
| Amounts falling due within one year          | 17    | <u>(12,160,103)</u> | <u>(7,440,911)</u> |
| <b>NET CURRENT ASSETS</b>                    |       | <u>6,329,205</u>    | <u>4,859,470</u>   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | 6,989,920           | 5,465,496          |
| <b>PROVISIONS FOR LIABILITIES</b>            | 21    | <u>(25,881)</u>     | <u>(12,470)</u>    |
| <b>NET ASSETS</b>                            |       | <u>6,964,039</u>    | <u>5,453,026</u>   |
| <b>CAPITAL AND RESERVES</b>                  |       |                     |                    |
| Called up share capital                      | 22    | 104                 | 104                |
| Retained earnings                            | 23    | <u>6,963,935</u>    | <u>5,452,922</u>   |
| <b>SHAREHOLDERS' FUNDS</b>                   |       | <u>6,964,039</u>    | <u>5,453,026</u>   |

The financial statements were approved by the Board of Directors and authorised for issue on 22 December 2021 and were signed on its behalf by:

Mr G L Vickers - Director

Mr J R Kight - Director

**STATEMENT OF CHANGES IN EQUITY**  
for the Year Ended 31 March 2021

|                                 | Called up<br>share<br>capital<br>£ | Retained<br>earnings<br>£ | Total<br>equity<br>£ |
|---------------------------------|------------------------------------|---------------------------|----------------------|
| <b>Balance at 1 April 2019</b>  | 104                                | 4,616,965                 | 4,617,069            |
| <b>Changes in equity</b>        |                                    |                           |                      |
| Dividends                       | -                                  | (3,080,455)               | (3,080,455)          |
| Total comprehensive income      | -                                  | 3,916,412                 | 3,916,412            |
| <b>Balance at 31 March 2020</b> | 104                                | 5,452,922                 | 5,453,026            |
| <b>Changes in equity</b>        |                                    |                           |                      |
| Dividends                       | -                                  | (3,209,823)               | (3,209,823)          |
| Total comprehensive income      | -                                  | 4,720,836                 | 4,720,836            |
| <b>Balance at 31 March 2021</b> | 104                                | 6,963,935                 | 6,964,039            |

**CASH FLOW STATEMENT**  
**for the Year Ended 31 March 2021**

|   | Notes | 31.3.21<br>£             | 31.3.20<br>£            |
|---|-------|--------------------------|-------------------------|
| <b>Cash flows from operating activities</b>           |       |                          |                         |
| Cash generated from operations                        | 1     | 8,013,463                | 5,370,395               |
| Interest paid   |       | -                        | (1,035)                 |
| Tax paid  |       | (472,050)                | (1,042,716)             |
| Net cash from operating activities                    |       | <u>7,541,413</u>         | <u>4,326,644</u>        |
| <b>Cash flows from investing activities</b>           |       |                          |                         |
| Purchase of tangible fixed assets                     |       | (92,552)                 | (3,043)                 |
| Purchase of fixed asset investments                   |       | (959,963)                | (12,586)                |
| Sale of fixed asset investments                       |       | 1,092,699                | 13,452                  |
| Interest received                                     |       | 20,474                   | 30,295                  |
| Dividends received                                    |       | 8,097                    | 243                     |
| Net cash from investing activities                    |       | <u>68,755</u>            | <u>28,361</u>           |
| <b>Cash flows from financing activities</b>           |       |                          |                         |
| Loan repayments in year                               |       | -                        | (540,000)               |
| Amount introduced by directors                        |       | 398,138                  | 150,628                 |
| Equity dividends paid                                 |       | (3,209,823)              | (3,080,455)             |
| Net cash from financing activities                    |       | <u>(2,811,685)</u>       | <u>(3,469,827)</u>      |
| <b>Increase in cash and cash equivalents</b>          |       | <u>4,798,483</u>         | <u>885,178</u>          |
| <b>Cash and cash equivalents at beginning of year</b> | 2     | 7,208,764                | 6,323,586               |
| <b>Cash and cash equivalents at end of year</b>       | 2     | <u><u>12,007,247</u></u> | <u><u>7,208,764</u></u> |

**NOTES TO THE CASH FLOW STATEMENT**  
for the Year Ended 31 March 2021

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

|                                       | 31.3.21          | 31.3.20          |
|---------------------------------------|------------------|------------------|
|                                       | £                | £                |
| Profit before taxation                | 5,836,512        | 4,847,551        |
| Depreciation charges                  | 37,864           | 34,412           |
| Profit on disposal of fixed assets    | (132,736)        | (866)            |
| Finance costs                         | -                | 1,035            |
| Finance income                        | (28,571)         | (30,538)         |
|                                       | 5,713,069        | 4,851,594        |
| Increase in stocks                    | (1,825,650)      | (659,016)        |
| Decrease in trade and other debtors   | 434,807          | 340,202          |
| Increase in trade and other creditors | 3,691,237        | 837,615          |
| <b>Cash generated from operations</b> | <b>8,013,463</b> | <b>5,370,395</b> |

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 March 2021**

|                           | 31.3.21           | 1.4.20           |
|---------------------------|-------------------|------------------|
|                           | £                 | £                |
| Cash and cash equivalents | 12,012,762        | 7,214,678        |
| Bank overdrafts           | (5,515)           | (5,914)          |
|                           | <u>12,007,247</u> | <u>7,208,764</u> |

**Year ended 31 March 2020**

|                           | 31.3.20          | 1.4.19           |
|---------------------------|------------------|------------------|
|                           | £                | £                |
| Cash and cash equivalents | 7,214,678        | 6,331,281        |
| Bank overdrafts           | (5,914)          | (7,695)          |
|                           | <u>7,208,764</u> | <u>6,323,586</u> |

**3. ANALYSIS OF CHANGES IN NET FUNDS**

|                          | At 1.4.20        | Cash flow        | At 31.3.21        |
|--------------------------|------------------|------------------|-------------------|
|                          | £                | £                | £                 |
| <b>Net cash</b>          |                  |                  |                   |
| Cash at bank and in hand | 7,214,678        | 4,798,084        | 12,012,762        |
| Bank overdrafts          | (5,914)          | 399              | (5,515)           |
|                          | <u>7,208,764</u> | <u>4,798,483</u> | <u>12,007,247</u> |
| <b>Total</b>             | <u>7,208,764</u> | <u>4,798,483</u> | <u>12,007,247</u> |



NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 March 2021

1. **STATUTORY INFORMATION**

Computer Risk Management Ltd 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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

**Preparation of consolidated financial statements**

The financial statements contain information about Computer Risk Management Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 402 of the Companies Act not to prepare consolidated financial statements as the subsidiary is individually and collectively immaterial.

**Significant judgements and estimates**

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. Although these estimates are based on managements best knowledge of the amount, events or actions, actual results ultimately may differ from those estimates.

The estimates and assumptions which have a significant risk of causing material adjustment to the carrying of assets and liabilities are :

Making judgement based on historical experience on the level of provision required for impairment of stock, the carrying values of stock and the level of rebates held back of goods not sold.

Estimating the useful economic life of an asset and the anticipated residual value are considered key judgement in calculating an appropriate depreciation charge.

Making judgement based on historical on the level of provision of bad debts.

**Revenue**

Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, value added tax and other sales taxes. Revenue is recognised as follows:-

**Sale of goods**

Sale of goods are recognised when the Company despatches the products to the customer and collectability of the related receivables is fairly stated.

**Sales rebates**

Sales rebates are recognised when the Company has purchased and sold, pre agreed requirements with the manufactures and collectability of the related receivables is fairly stated.

**Website and software costs**

Amortisation is provided for on Website and software costs in order to write off the asset over its estimated life of 5 years on a straight line basis.

**Tangible fixed assets**

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

|                       |                           |
|-----------------------|---------------------------|
| Freehold property     | - 2% on cost              |
| Fixtures and fittings | - 25% on reducing balance |

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 March 2021

**2. ACCOUNTING POLICIES - continued**

**Government grants**

During the period the company benefited from government grants in the form of the Coronavirus Job Retention Scheme. In accordance with our accounting policy this credit is included in other income within the Income Statement over the same period as the staff costs for which it compensates.

**Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Financial instruments**

The company enters into basic financial instruments transactions and investments that result in the recognition of financial assets and liabilities like listed investments, trade and other debtors and creditors, loans from banks and other parties and loans to and from related parties.

Financial assets are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If evidence of impairment is found, an impairment loss is recognised in the income statement.

Listed investments are measured at fair value with changes recognised in the profit and loss.

Basic financial liabilities are initially measured at transaction price and subsequently measured at amortised cost, being the transaction price less amounts settled.

**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 balance sheet date.

**Deferred tax**

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

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 March 2021**

**2. ACCOUNTING POLICIES - continued**

**Fixed asset investments**

Listed investments held as fixed assets are shown at market value. Investments in Subsidiary undertakings are shown as the lower of cost or net realisable value.

**Supplier rebates**

Purchase rebates are recognised when the Company has purchased pre agreed requirements with its suppliers and these are offset against purchases within the financial statements.

**3. TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

|                   | 31.3.21<br>£      | 31.3.20<br>£      |
|-------------------|-------------------|-------------------|
| United Kingdom    | 49,204,403        | 50,731,491        |
| Europe            | 141,565           | 741,460           |
| Rest of the world | 126,255           | 36,342            |
|                   | <u>49,472,223</u> | <u>51,509,293</u> |

**4. EMPLOYEES AND DIRECTORS**

|                       | 31.3.21<br>£     | 31.3.20<br>£     |
|-----------------------|------------------|------------------|
| Wages and salaries    | 1,642,918        | 1,664,633        |
| Social security costs | 172,668          | 164,686          |
| Other pension costs   | 17,047           | 16,675           |
|                       | <u>1,832,633</u> | <u>1,845,994</u> |

The average number of employees during the year was as follows:

|                            | 31.3.21   | 31.3.20   |
|----------------------------|-----------|-----------|
| Directors                  | 3         | 3         |
| Sales and marketing        | 33        | 39        |
| Finance and administration | 4         | 4         |
|                            | <u>40</u> | <u>46</u> |

**5. DIRECTORS' EMOLUMENTS**

|                         | 31.3.21<br>£  | 31.3.20<br>£  |
|-------------------------|---------------|---------------|
| Directors' remuneration | <u>61,914</u> | <u>60,720</u> |

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 March 2021**

**6. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

|                                    | 31.3.21      | 31.3.20      |
|------------------------------------|--------------|--------------|
|                                    | £            | £            |
| Depreciation - owned assets        | 37,863       | 34,412       |
| Profit on disposal of fixed assets | (132,736)    | (866)        |
| Auditors' remuneration             | 6,000        | 6,000        |
| Foreign exchange differences       | 75           | (135)        |
| Operating lease - plant            | <u>2,748</u> | <u>6,536</u> |

The highest paid director during the year received total emoluments of £30,614 (2020 - £30,211).

**7. INCOME FROM FIXED ASSET INVESTMENTS**

|                                | 31.3.21      | 31.3.20    |
|--------------------------------|--------------|------------|
|                                | £            | £          |
| Other fixed asset invest - FII | <u>8,097</u> | <u>243</u> |

**8. INTEREST RECEIVABLE AND SIMILAR INCOME**

|                          | 31.3.21       | 31.3.20       |
|--------------------------|---------------|---------------|
|                          | £             | £             |
| Deposit account interest | <u>20,474</u> | <u>30,295</u> |

**9. INTEREST PAYABLE AND SIMILAR EXPENSES**

|                    | 31.3.21  | 31.3.20      |
|--------------------|----------|--------------|
|                    | £        | £            |
| Bank loan interest | <u>-</u> | <u>1,035</u> |

**10. TAXATION****Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

|                    | 31.3.21          | 31.3.20        |
|--------------------|------------------|----------------|
|                    | £                | £              |
| Current tax:       |                  |                |
| UK corporation tax | 1,102,265        | 934,006        |
| Deferred tax       | 13,411           | (2,867)        |
| Tax on profit      | <u>1,115,676</u> | <u>931,139</u> |

UK corporation tax has been charged at 19% (2020 - 19%).

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 March 2021**

**10. TAXATION - continued**

**Reconciliation of total tax charge included in profit and loss**

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

|  | 31.3.21<br>£     | 31.3.20<br>£     |
|--|------------------|------------------|
| Profit before tax  | <u>5,836,512</u> | <u>4,847,551</u> |
| Profit multiplied by the standard rate of corporation tax in the UK of 19%<br>(2020 - 19%) | 1,108,937        | 921,035          |
| Effects of:  |                  |                  |
| Expenses not deductible for tax purposes   | 12,781           | 7,413            |
| Income not taxable for tax purposes  | (1,538)          | -                |
| Capital allowances in excess of depreciation   | (10,720)         | -                |
| Depreciation in excess of capital allowances   | -                | 5,558            |
| Timing difference  | <u>6,216</u>     | <u>(2,867)</u>   |
| Total tax charge   | <u>1,115,676</u> | <u>931,139</u>   |

**11. DIVIDENDS**

|                                | 31.3.21<br>£     | 31.3.20<br>£     |
|--------------------------------|------------------|------------------|
| Ordinary 'A' shares of £1 each |                  |                  |
| Interim div Ordinary 'A'       | 3,086,368        | 2,961,976        |
| Ordinary 'B' shares of £1 each |                  |                  |
| Interim div Ordinary 'B'       | <u>123,455</u>   | <u>118,479</u>   |
|                                | <u>3,209,823</u> | <u>3,080,455</u> |

**12. INTANGIBLE FIXED ASSETS**

|                                      | Website<br>and<br>software<br>£ |
|--------------------------------------|---------------------------------|
| <b>COST</b>                          |                                 |
| At 1 April 2020<br>and 31 March 2021 | <u>87,403</u>                   |
| <b>AMORTISATION</b>                  |                                 |
| At 1 April 2020<br>and 31 March 2021 | <u>87,402</u>                   |
| <b>NET BOOK VALUE</b>                |                                 |
| At 31 March 2021                     | <u>1</u>                        |
| At 31 March 2020                     | <u>1</u>                        |

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 March 2021

## 13. TANGIBLE FIXED ASSETS

|                       | Freehold<br>property<br>£ | Fixtures<br>and<br>fittings<br>£ | Motor<br>vehicles<br>£ | Totals<br>£      |
|-----------------------|---------------------------|----------------------------------|------------------------|------------------|
| <b>COST</b>           |                           |                                  |                        |                  |
| At 1 April 2020       | 708,432                   | 431,580                          | -                      | 1,140,012        |
| Additions             | -                         | 6,622                            | 85,930                 | 92,552           |
| At 31 March 2021      | <u>708,432</u>            | <u>438,202</u>                   | <u>85,930</u>          | <u>1,232,564</u> |
| <b>DEPRECIATION</b>   |                           |                                  |                        |                  |
| At 1 April 2020       | 177,678                   | 356,318                          | -                      | 533,996          |
| Charge for year       | 14,159                    | 20,124                           | 3,580                  | 37,863           |
| At 31 March 2021      | <u>191,837</u>            | <u>376,442</u>                   | <u>3,580</u>           | <u>571,859</u>   |
| <b>NET BOOK VALUE</b> |                           |                                  |                        |                  |
| At 31 March 2021      | <u>516,595</u>            | <u>61,760</u>                    | <u>82,350</u>          | <u>660,705</u>   |
| At 31 March 2020      | <u>530,754</u>            | <u>75,262</u>                    | <u>-</u>               | <u>606,016</u>   |

## 14. FIXED ASSET INVESTMENTS

|                          | Shares in<br>group<br>undertakings<br>£ | Listed<br>investments<br>£ | Totals<br>£ |
|--------------------------|---|----------------------------|-------------|
| <b>COST OR VALUATION</b> |   |                            |             |
| At 1 April 2020          | 9                                       | -                          | 9           |
| Additions                | -                                       | 959,963                    | 959,963     |
| Disposals                | -                                       | (959,963)                  | (959,963)   |
| At 31 March 2021         | <u>9</u>                                | <u>-</u>                   | <u>9</u>    |
| <b>NET BOOK VALUE</b>    |   |                            |             |
| At 31 March 2021         | <u>9</u>                                | <u>-</u>                   | <u>9</u>    |
| At 31 March 2020         | <u>9</u>                                | <u>-</u>                   | <u>9</u>    |

Cost or valuation at 31 March 2021 is represented by:

|      |   |
|------|---|
|      | Shares in<br>group<br>undertakings<br>£ |
| Cost | <u>9</u>                                |

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 March 2021**

**14. FIXED ASSET INVESTMENTS - continued**

The company's investments at the Balance Sheet date in the share capital of companies include the following:

**Printerland (Pty) Ltd**

Registered office: Unit 68 Millennium Business Park Edison Way, Century City, Milnerton, Cape Town, 7441

Nature of business: Online sale of computer hardware and consumables

| Class of shares:               | %<br>holding | 31.3.21      | 31.3.20        |
|--------------------------------|--------------|--------------|----------------|
| Ordinary                       | 80.00        | £            | £              |
| Aggregate capital and reserves |              | (6,011)      | (11,556)       |
| Profit/(loss) for the year     |              | <u>5,545</u> | <u>(5,740)</u> |

**15. STOCKS**

|        | 31.3.21          | 31.3.20          |
|--------|------------------|------------------|
|        | £                | £                |
| Stocks | <u>3,863,640</u> | <u>2,037,990</u> |

**16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                    | 31.3.21          | 31.3.20          |
|------------------------------------|------------------|------------------|
|                                    | £                | £                |
| Trade debtors                      | 1,005,839        | 1,083,865        |
| Amounts owed by group undertakings | 38,424           | 33,424           |
| Other debtors                      | <u>1,582</u>     | <u>10</u>        |
|                                    | <u>1,045,845</u> | <u>1,117,299</u> |

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|   | 31.3.21           | 31.3.20          |
|---|-------------------|------------------|
|   | £                 | £                |
| Bank loans and overdrafts (see note 18) | 5,515             | 5,914            |
| Trade creditors                         | 9,972,949         | 6,087,105        |
| Tax                                     | 952,558           | 322,342          |
| Social security and other taxes         | 42,824            | 41,980           |
| VAT                                     | 417,367           | 650,088          |
| Other creditors                         | 71                | -                |
| Directors' current accounts             | 548,766           | 150,628          |
| Accrued expenses                        | <u>220,053</u>    | <u>182,854</u>   |
|   | <u>12,160,103</u> | <u>7,440,911</u> |

**18. LOANS**

An analysis of the maturity of loans is given below:

|   | 31.3.21      | 31.3.20      |
|---|--------------|--------------|
|   | £            | £            |
| Amounts falling due within one year or on demand: |              |              |
| Bank overdrafts                                   | <u>5,515</u> | <u>5,914</u> |

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 March 2021**

**19. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

|                 | 31.3.21    | 31.3.20      |
|-----------------|------------|--------------|
|                 | £          | £            |
| Within one year | <u>153</u> | <u>4,496</u> |

**20. SECURED DEBTS**

The following secured debts are included within creditors:

|                 | 31.3.21      | 31.3.20      |
|-----------------|--------------|--------------|
|                 | £            | £            |
| Bank overdrafts | <u>5,515</u> | <u>5,914</u> |

The bank loan is secured by a fixed and floating charge over the assets of the company. The company credit card facility is secured by a personal guarantee provided by Mr G Vickers and Mr J Kight.

**21. PROVISIONS FOR LIABILITIES**

|              | 31.3.21       | 31.3.20       |
|--------------|---------------|---------------|
|              | £             | £             |
| Deferred tax | <u>25,881</u> | <u>12,470</u> |

|                                |               |
|--------------------------------|---------------|
|                                | Deferred tax  |
|                                | £             |
| Balance at 1 April 2020        | 12,470        |
| Accelerated capital allowances | 13,411        |
| Balance at 31 March 2021       | <u>25,881</u> |

**22. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

| Number: | Class:       | Nominal value: | 31.3.21    | 31.3.20    |
|---------|--------------|----------------|------------|------------|
|         |              |                | £          | £          |
| 100     | Ordinary 'A' | £1             | 100        | 100        |
| 4       | Ordinary 'B' | £1             | <u>4</u>   | <u>4</u>   |
|         |              |                | <u>104</u> | <u>104</u> |

**23. RESERVES**

|                     | Retained earnings |
|---------------------|-------------------|
|                     | £                 |
| At 1 April 2020     | 5,452,922         |
| Profit for the year | 4,720,836         |
| Dividends           | (3,209,823)       |
| At 31 March 2021    | <u>6,963,935</u>  |

**24. RELATED PARTY DISCLOSURES**



NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 March 2021

24. **RELATED PARTY DISCLOSURES - continued**

**Entities over which the entity has control, joint control or significant influence**

|                               | 31.3.21       | 31.3.20       |
|-------------------------------|---------------|---------------|
|                               | £             | £             |
| Amount due from related party | <u>38,424</u> | <u>33,424</u> |

25. **ULTIMATE CONTROLLING PARTY**

The Company was under the control of its directors throughout the year.

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.