

Strategic Report, Report of the Director and
Financial Statements for the Year Ended 31 March 2014
for
ABA Market Research Limited

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ABA Market Research Limited

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for the Year Ended 31 March 2014

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ABA Market Research Limited

Company Information

for the Year Ended 31 March 2014

DIRECTOR: Ms A Bainbridge

REGISTERED OFFICE: First Floor Hart House
6 London Road
St Albans
Hertfordshire
AL1 1NG

REGISTERED NUMBER: 04404540 (England and Wales)

**SENIOR STATUTORY
AUDITOR:** Ali Alidina ACA

AUDITORS: Financial Professional Strategy Services LLP
80 Coleman Street
Moorgate
London
EC2R 5BJ

ABA Market Research Limited

Strategic Report

for the Year Ended 31 March 2014

The director presents her strategic report for the year ended 31 March 2014.

REVIEW OF BUSINESS

The director and management aim to present a balanced and comprehensive review of the development and performance of the business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

As a Market Research company, the company continues to provide market research information and insightful reports to its clients. The company focuses on the retail sector and has many leading retailers as its clients.

We consider the key performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover, profit margin and cash flow.

The company's turnover has decreased by 9.7% to £6,587,075 from £7,298,106 in 2013. This decline was a result of decreased sales from existing clients on mystery shopping assignments. To try and compensate for this decline more time was put into developing insight sales but the increase of 5% on last year was not enough to compensate for the loss of mystery shopping revenue.

Overall gross profit has decreased to £2,361,813 (35.8%) from £2,487,846 (34%) but the margins improved slightly. Operating profit has decreased to £803,697 (12.2%) from £902,937 (12.4%). After taxation and dividends, £258,705 has been added to reserves.

Total cash flow for 2014 was £332,576 negative. This was due to a lower operating cash flow of £313,778 and dividends paid of £509,359. The operating cash flow was reduced by movements in working capital, in particular an increase in trade debtors due to timing of sales in the final quarter. The trade debtors were paid at the beginning of financial year 2015. The company maintains high cash balances, £2,230,348 at the year-end so is unaffected by occasional changes in the pattern of receivables. Cash flow management remains a priority and the company aims to maintain a strong positive cash balance. Cash flow management involves prompt invoicing of our clients and agreeing and adhering to fair terms with all our suppliers.

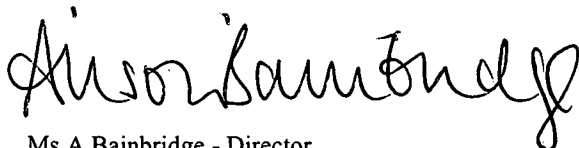
As for many businesses of our size, the business environment in which we operate continues to be challenging. We continue to work hard for our clients to ensure that the company continues to maintain and grow its revenue.

With these risks and uncertainties in mind, we are aware that any plans for the future development of the business may be subject to unforeseen events outside of our control.

PRINCIPAL RISKS AND UNCERTAINTIES

The director and management continue to pursue a relevant and current risk management policy wherever possible. They also maintain a strategy of strong cash flow and working capital management; which is reflected in the company's strong positive net cash position.

ON BEHALF OF THE BOARD:



Ms A Bainbridge - Director

19 December 2014

ABA Market Research Limited

Report of the Director for the Year Ended 31 March 2014

The director presents her report with the financial statements of the company for the year ended 31 March 2014.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of market research services, specialising in the retail sector.

DIVIDENDS

The director has paid dividends amounting to £508,359 and she does not recommend further dividend payments this year.

RESEARCH AND DEVELOPMENT

The Director and management have invested significant amounts in research & development related activities to develop and improve data processing methods. This investment will enhance and protect the Company's branded service proposition in order to increase sales and profitability. The total R & D expenditure in the year has not been calculated but a reasonable estimate would be £97,000 (2013 - £200,000) a R & D claim will be calculated in the near future. The Director and management will continue to invest in research and development.

DIRECTOR

Ms A Bainbridge held office during the whole of the period from 1 April 2013 to the date of this report.

SHARE CAPITAL

During the year 66 Ordinary B shares of 10p each were issued by the company.

FUTURE DEVELOPMENTS

The prime business objective is to deliver sustainable growth in shareholder value. This requires growth in the long term combined with strong cash generation. The strategy is to drive high quality performance in what the company does for existing and prospective customers and to further promote the organisation and its services.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless she is 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 director is 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 director is 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 her to ensure that the financial statements comply with the Companies Act 2006. She is 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 director is 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 she has taken all the steps that she ought to have taken as a director in order to make herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ABA Market Research Limited

Report of the Director
for the Year Ended 31 March 2014

AUDITORS

The auditors, Financial Professional Strategy Services LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'A Bainbridge', written in a cursive style.

Ms A Bainbridge - Director

19 December 2014

Report of the Independent Auditors to the Members of
ABA Market Research Limited

We have audited the financial statements of ABA Market Research Limited for the year ended 31 March 2014 on pages six to fifteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of director and auditors

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is 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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Director 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2014 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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



Ali Alidina ACA (Senior Statutory Auditor)
for and on behalf of Financial Professional Strategy Services LLP
Chartered Accountants & Registered Auditors
80 Coleman Street
Moorgate
London
EC2R 5BJ

19 December 2014

ABA Market Research Limited

Profit and Loss Account
for the Year Ended 31 March 2014

	Notes	31.3.14 £	31.3.13 £
TURNOVER		6,587,075	7,298,106
Cost of sales		<u>4,225,262</u>	<u>4,810,260</u>
GROSS PROFIT		2,361,813	2,487,846
Administrative expenses		<u>1,568,505</u>	<u>1,594,896</u>
OPERATING PROFIT	3	793,308	892,950
Interest receivable and similar income		<u>10,388</u>	<u>9,987</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		803,696	902,937
Tax on profit on ordinary activities	5	<u>36,639</u>	<u>217,864</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>767,057</u></u>	<u><u>685,073</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

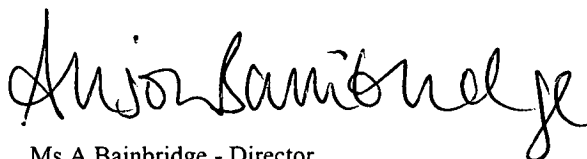
The notes form part of these financial statements

ABA Market Research Limited (Registered number: 04404540)

Balance Sheet
31 March 2014

	Notes	31.3.14 £	£	31.3.13 £	£
FIXED ASSETS					
Tangible assets	7		92,671		102,344
CURRENT ASSETS					
Stocks	8	113,009		96,306	
Debtors	9	1,827,088		1,530,644	
Cash at bank and in hand		<u>2,230,348</u>		<u>2,562,924</u>	
		4,170,445		4,189,874	
CREDITORS					
Amounts falling due within one year	10	<u>1,407,242</u>		<u>1,689,301</u>	
NET CURRENT ASSETS			<u>2,763,203</u>		<u>2,500,573</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,855,874		2,602,917
PROVISIONS FOR LIABILITIES	11		<u>14,197</u>		<u>19,945</u>
NET ASSETS			<u>2,841,677</u>		<u>2,582,972</u>
CAPITAL AND RESERVES					
Called up share capital	12		10,018		10,011
Profit and loss account	13		<u>2,831,659</u>		<u>2,572,961</u>
SHAREHOLDERS' FUNDS	17		<u>2,841,677</u>		<u>2,582,972</u>

The financial statements were approved by the director on 19 December 2014 and were signed by:



Ms A Bainbridge - Director

ABA Market Research Limited

Cash Flow Statement
for the Year Ended 31 March 2014

	Notes	31.3.14 £	31.3.13 £
Net cash inflow from operating activities	1	313,778	1,231,854
Returns on investments and servicing of finance	2	10,388	9,987
Taxation		(73,529)	(79,911)
Capital expenditure	2	(74,861)	(79,892)
Equity dividends paid		<u>(508,359)</u>	<u>(482,368)</u>
		(332,583)	599,670
Financing	2	<u>7</u>	-
(Decrease)/increase in cash in the period		<u>(332,576)</u>	<u>599,670</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
(Decrease)/increase in cash in the period		<u>(332,576)</u>	<u>599,670</u>
Change in net funds resulting from cash flows		<u>(332,576)</u>	<u>599,670</u>
Movement in net funds in the period		<u>(332,576)</u>	<u>599,670</u>
Net funds at 1 April		<u>2,562,924</u>	<u>1,963,254</u>
Net funds at 31 March		<u>2,230,348</u>	<u>2,562,924</u>

The notes form part of these financial statements

ABA Market Research Limited

Notes to the Cash Flow Statement
for the Year Ended 31 March 2014

1. **RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	31.3.14	31.3.13
	£	£
Operating profit	793,308	892,950
Depreciation charges	84,534	99,413
Increase in stocks	(16,703)	(96,306)
(Increase)/decrease in debtors	(296,444)	502,358
Decrease in creditors	(250,917)	(166,561)
Net cash inflow from operating activities	<u>313,778</u>	<u>1,231,854</u>

2. **ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	31.3.14	31.3.13
	£	£
Returns on investments and servicing of finance		
Interest received	<u>10,388</u>	<u>9,987</u>
Net cash inflow for returns on investments and servicing of finance	<u>10,388</u>	<u>9,987</u>
 Capital expenditure		
Purchase of tangible fixed assets	<u>(74,861)</u>	<u>(79,892)</u>
Net cash outflow for capital expenditure	<u>(74,861)</u>	<u>(79,892)</u>
 Financing		
Share issue	<u>7</u>	<u>-</u>
Net cash inflow from financing	<u>7</u>	<u>-</u>

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

	At 1.4.13	Cash flow	At
	£	£	31.3.14
			£
Net cash:			
Cash at bank and in hand	<u>2,562,924</u>	<u>(332,576)</u>	<u>2,230,348</u>
	<u>2,562,924</u>	<u>(332,576)</u>	<u>2,230,348</u>
 Total	<u>2,562,924</u>	<u>(332,576)</u>	<u>2,230,348</u>

The notes form part of these financial statements

1. **ACCOUNTING POLICIES**

Accounting convention

The financial statements have been prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board.

Turnover

Turnover represents net invoiced value of services provided, excluding value added tax.

Tangible fixed assets

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

Improvements to property	- straight line over the lease term
Plant and machinery	- 25% - 33% straight line rates on cost
Fixtures and fittings	- 25% straight line on cost

Stocks

Work in progress relates to the preliminary expenses incurred prior to commencement of project field work that are deferred and will be recovered.

Deferred tax

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

Hire purchase and leasing commitments

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

Research and development

Research and development expenditure is written off to the profit and loss account in the year in which it is incurred. Research and development tax credits are only recognised when agreed and received by the company.

2. **STAFF COSTS**

	31.3.14	31.3.13
	£	£
Wages and salaries	<u>3,083,482</u>	<u>2,973,221</u>

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

	31.3.14	31.3.13
Director	1	1
Direct Cost Staff	76	59
Administrative	<u>13</u>	<u>10</u>
	<u>90</u>	<u>70</u>

ABA Market Research Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2014

3. **OPERATING PROFIT**

The operating profit is stated after charging:

	31.3.14	31.3.13
	£	£
Other operating leases	102,566	106,182
Depreciation - owned assets	84,534	99,412
Research and development	97,000	200,000
Auditors' remuneration (Note 4)	<u>8,028</u>	<u>8,000</u>

Director's remuneration	<u>6,500</u>	<u>6,500</u>
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4. **AUDITORS' REMUNERATION**

	31.3.14	31.3.13
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	<u>8,028</u>	<u>8,000</u>
Total audit fees	<u>8,028</u>	<u>8,000</u>

5. **TAXATION**

Analysis of the tax charge

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

	31.3.14	31.3.13
	£	£
Current tax:		
UK corporation tax	183,033	215,167
Tax prior year adjustment	<u>(140,646)</u>	<u>-</u>
Total current tax	42,387	215,167
Deferred tax	<u>(5,748)</u>	<u>2,697</u>
Tax on profit on ordinary activities	<u>36,639</u>	<u>217,864</u>

UK corporation tax has been charged at 23% (2013 - 24%).

Notes to the Financial Statements - continued
for the Year Ended 31 March 2014

5. **TAXATION - continued**

Factors affecting the tax charge

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

	31.3.14 £	31.3.13 £
Profit on ordinary activities before tax	<u>803,696</u>	<u>902,937</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23% (2013 - 24%)	184,850	216,705
Effects of:		
Expenses not deductible for tax purposes	2,636	1,558
Depreciation in excess of capital allowances	662	2,697
Marginal tax relief	(5,115)	(5,793)
R&D refunds 10/11, 11/12 & 12/13	<u>(140,646)</u>	<u>-</u>
Current tax charge	<u>42,387</u>	<u>215,167</u>

Factors that may affect future tax charges

A possible factor in future tax charges will be the R&D claim for the year ended 31st March 2014. An estimate of £97,000 of qualifying expenditure has been identified and will be claimed as soon as an actual figure is calculated.

6. **DIVIDENDS**

	31.3.14 £	31.3.13 £
Ordinary A shares of £1 each		
Final	102,161	-
Interim	400,000	477,120
Ordinary B shares of 10p each		
Final	1,798	-
Interim	<u>4,400</u>	<u>5,248</u>
	<u>508,359</u>	<u>482,368</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2014

7. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 April 2013	61,326	487,166	146,550	695,042
Additions	-	72,124	2,737	74,861
Disposals	-	(278,395)	(110,318)	(388,713)
At 31 March 2014	<u>61,326</u>	<u>280,895</u>	<u>38,969</u>	<u>381,190</u>
DEPRECIATION				
At 1 April 2013	46,144	419,290	127,264	592,698
Charge for year	5,455	69,913	9,166	84,534
Eliminated on disposal	-	(278,395)	(110,318)	(388,713)
At 31 March 2014	<u>51,599</u>	<u>210,808</u>	<u>26,112</u>	<u>288,519</u>
NET BOOK VALUE				
At 31 March 2014	<u>9,727</u>	<u>70,087</u>	<u>12,857</u>	<u>92,671</u>
At 31 March 2013	<u>15,182</u>	<u>67,876</u>	<u>19,286</u>	<u>102,344</u>

8. STOCKS

	31.3.14 £	31.3.13 £
Work-in-progress	<u>113,009</u>	<u>96,306</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.14 £	31.3.13 £
Trade debtors	1,752,250	1,435,668
Other debtors	34,330	53,350
Prepayments	<u>40,508</u>	<u>41,626</u>
	<u>1,827,088</u>	<u>1,530,644</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.14 £	31.3.13 £
Trade creditors	167,954	198,802
Corporation tax	183,033	214,175
Social security and other taxes	76,461	80,672
VAT	306,818	312,539
Other creditors	55,631	53,450
Wages control account	-	15,180
Accrued expenses	<u>617,345</u>	<u>814,483</u>
	<u>1,407,242</u>	<u>1,689,301</u>

ABA Market Research Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2014

11. PROVISIONS FOR LIABILITIES

	31.3.14	31.3.13
	£	£
Deferred tax		
Accelerated capital allowances	<u>14,197</u>	<u>19,945</u>
		Deferred tax
		£
Balance at 1 April 2013		19,945
Provided during year		<u>(5,748)</u>
Balance at 31 March 2014		<u>14,197</u>

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			31.3.14	31.3.13
Number:	Class:	Nominal value:	£	£
10,000	Ordinary A	£1	10,000	10,000
176	Ordinary B	10p	18	11
(31.3.13 - 110)				
			<u>10,018</u>	<u>10,011</u>

During the year 66 Ordinary B shares of 10p each were issued by the company. Ordinary B shares in the company carry no voting rights. The company has granted various options on Ordinary B shares of 10p each. The following options were outstanding at the year end: 488 Ordinary B shares of 10p per share which can be exercised by 23/05/2015 and 1,022 Ordinary B shares of 10p per share which can be exercised by 30/09/2018. The option price on these shares is 10p per share.

13. RESERVES

	Profit and loss account
	£
At 1 April 2013	2,572,961
Profit for the year	767,057
Dividends	<u>(508,359)</u>
At 31 March 2014	<u>2,831,659</u>

14. OTHER FINANCIAL COMMITMENTS

At 31 March 2014 the company had annual commitments under non-cancellable operating leases on land and buildings of between one and five years of £99,000 (2013 £99,000) and other leases within one year of £3,220 (2013 £6,440).

Notes to the Financial Statements - continued
for the Year Ended 31 March 2014

15. RELATED PARTY DISCLOSURES

Raindrops on Roses Trading Limited

A company in which Ms A Bainbridge is a director.

Raindrops on Roses Trading Limited is a trading company created to support the charity "Herts against Cancer". Recharges to Raindrops on Roses Trading Limited amounted to £52,647.

	31.3.14	31.3.13
	£	£
Amount due from related party at the balance sheet date	<u>75,926</u>	<u>77,102</u>

Ms A Bainbridge

During the year Ms A Bainbridge, a director of the company received £452,620 (2013 £429,408) in dividend payments.

16. ULTIMATE CONTROLLING PARTY

The controlling party is Ms A Bainbridge.

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.3.14	31.3.13
	£	£
Profit for the financial year	767,057	685,073
Dividends	(508,359)	(482,368)
New share capital subscribed	<u>7</u>	<u>-</u>
Net addition to shareholders' funds	258,705	202,705
Opening shareholders' funds	<u>2,582,972</u>	<u>2,380,267</u>
Closing shareholders' funds	<u>2,841,677</u>	<u>2,582,972</u>