

ABCA SYSTEMS LIMITED
ABBREVIATED ACCOUNTS
30th SEPTEMBER 2014

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COMPANIES HOUSE

ABCA SYSTEMS LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 30th SEPTEMBER 2014

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ABCA SYSTEMS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The Board of Directors

P. C. Miller
P. J. Miller
C. Scott

Company secretary

P. J. Miller

Registered office

Unit 24, Mylord Crescent
Newcastle Upon Tyne
Tyne & Wear
NE12 5UJ

Auditor

Tait Walker LLP
Chartered Accountants
& Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Bankers

Lloyds Bank plc
102 Grey Street
Newcastle upon Tyne
NE99 1SL

ABCA SYSTEMS LIMITED

STRATEGIC REPORT

YEAR ENDED 30th SEPTEMBER 2014

REVIEW OF THE BUSINESS

ABCA Systems are extremely happy with the year's results having experienced growth in terms of both revenue and operating profit alike when compared against last year's pro-rata figures.

ABCA operates within three distinct market places, social housing service and maintenance, Sky installation for Sky Homes and private mechanical and electrical installation works.

All three divisions have experienced healthy growth during the period with a healthy order book looking forward. The construction industry has been a difficult market place to operate within for the past couple of years and has been an area of risk for the business, but the industry is in a period of recovery to a more bullish market with ABCA poised to take full advantage of the better days to come, having made it successfully through a period of recession with year on year revenue growth.

KEY PERFORMANCE INDICATORS


Turnover has increased to £9,156,131 in the year, compared to an annualised figure of £8,330,262 in the prior period.

Profit for the period has also improved to £654,919 against an annualised comparative of £293,726.

Meanwhile the cash inflow for the year is £336,498 against an annualised inflow of £2,299 in the prior period.

PRINCIPAL RISKS AND UNCERTAINTIES

The business is principally exposed to uncertainties related to the macroeconomic environment and the industry in which it operates. The company is well positioned to respond to the risks attached to a potential downturn and continually pursues new work in order to preserve its trading status.



Signed on behalf of the directors
P. J. Miller
Director

Approved by the directors on26/6/15.....

ABCA SYSTEMS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30th SEPTEMBER 2014

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30th September 2014.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of specialist electrical installations.

RESULTS AND DIVIDENDS

The profit for the year amounted to £654,919. Particulars of dividends paid are detailed in note 7 to the financial statements.

FINANCIAL INSTRUMENTS

The company has an established, structured approach to risk management. The company's activities expose it to a variety of financial risks, including the effects of foreign currency exchange rates along with credit, liquidity and cash flow, and interest rate risks. The company has adopted risk management policies that seek to mitigate these risks in a cost effective manner. Financial assets that expose the company to financial risk consist primarily of trade debtors and cash. Financial liabilities that expose the company to financial risk consist principally of trade creditors, overdrafts, loans, and hire purchase agreements.

Exchange rate risk

This exposure is minimal to the company with the majority of trade carried out in sterling.

Credit risk

Credit risk is the risk of loss in the value of financial assets due to counterparties failing to meet all or part of their obligations. The credit management policy of the company ensures that the appropriate credit checks are made on customers prior to any sales being made. Credit accounts for individual customers are assigned on a case by case basis after reviewing the financial stability of the customer.

Liquidity Risk

Liquidity risk is the risk that the company does not have sufficient liquid assets to meet its obligations as they fall due. Liquidity is maintained at a prudent level and the company ensures there is an adequate liquidity buffer to cover contingencies. The company maintains sufficient cash and open committed credit lines from its bankers to meet its funding requirements.

Interest rate risk

The company has interest bearing assets and liabilities. The majority of the liabilities attract fixed rates or rates linked to based rate movements. Interest rate risk re unfavourable movements in interest rates are not perceived as being material to the accounts due to the arrangements in place.

DIRECTORS

The directors who served the company during the year were as follows:

P. C. Miller
P. J. Miller
C. Scott

ABCA SYSTEMS LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30th SEPTEMBER 2014

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the directors' report 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 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 estimates that are reasonable and prudent; and
- 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 AUDITOR

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

ABCA SYSTEMS LIMITED

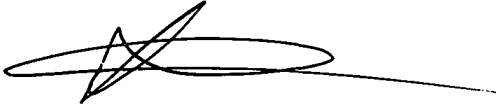
THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30th SEPTEMBER 2014

AUDITOR

During the year Peter Weldon Limited resigned as statutory auditor and was replaced by Tait Walker LLP. A resolution to re-appoint Tait Walker LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 485 of the Companies Act 2006.

Signed on behalf of the directors



P. J. Miller
Director

Approved by the directors on26/6/15

ABCA SYSTEMS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE COMPANY

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts which comprise the Profit and Loss Account, Balance Sheet, Cash Flow Statement and the related notes, together with the financial statements of ABCA Systems Limited for the year ended 30th September 2014 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditor's report 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 for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

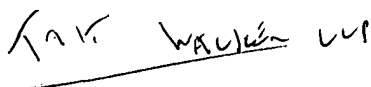
The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



Christopher Potter BA (Hons) ACA (Senior Statutory Auditor)

For and on behalf of

Tait Walker LLP

Chartered Accountants & Statutory Auditor

Bulman House

Regent Centre

Gosforth

Newcastle upon Tyne

NE3 3LS

26/6/15

ABCA SYSTEMS LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
YEAR ENDED 30th SEPTEMBER 2014

| | | Year to 30 Sep 14 £ | Period from 1 Jul 12 to 30 Sep 13 £ |
|--|-------------|------------------------------------|--|
| TURNOVER | Note | 9,156,131 | 10,412,828 |
| Cost of Sales and Other operating income | | (5,536,300) | (6,936,456) |
| Administrative expenses | | (3,041,710) | (3,315,268) |
| OPERATING PROFIT | 2 | 578,121 | 161,104 |
| Interest receivable | | 54 | 130 |
| Interest payable and similar charges | 5 | (12,239) | (18,610) |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 565,936 | 142,624 |
| Tax on profit on ordinary activities | 6 | 88,983 | 224,533 |
| PROFIT FOR THE FINANCIAL YEAR | | 654,919 | 367,157 |

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 12 to 22 form part of these abbreviated accounts.

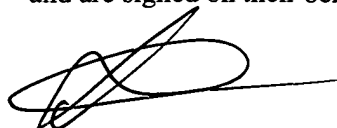
ABCA SYSTEMS LIMITED
COMPANY REGISTRATION NUMBER: 06294877
ABBREVIATED BALANCE SHEET

30th SEPTEMBER 2014

| | Note | 2014 £ | 2013 £ |
|--|------|--------------------|--------------------|
| FIXED ASSETS | | | |
| Intangible assets | 8 | 342,717 | 414,868 |
| Tangible assets | 9 | 410,758 | 478,541 |
| | | <u>753,475</u> | <u>893,409</u> |
| CURRENT ASSETS | | | |
| Stocks | 10 | 351,522 | 347,998 |
| Debtors | 11 | 2,192,462 | 2,062,786 |
| Cash at bank and in hand | | 296,040 | 18,690 |
| | | <u>2,840,024</u> | <u>2,429,474</u> |
| CREDITORS: Amounts falling due within one year | 13 | <u>(1,888,197)</u> | <u>(2,160,445)</u> |
| NET CURRENT ASSETS | | <u>951,827</u> | <u>269,029</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>1,705,302</u> | <u>1,162,438</u> |
| CREDITORS: Amounts falling due after more than one year | 14 | (217,994) | (261,162) |
| PROVISIONS FOR LIABILITIES | | | |
| Deferred taxation | 12 | — | (8,887) |
| | | <u>1,487,308</u> | <u>892,389</u> |
| CAPITAL AND RESERVES | | | |
| Called-up equity share capital | 18 | 100 | 100 |
| Profit and loss account | 19 | 1,487,208 | 892,289 |
| SHAREHOLDERS' FUNDS | 20 | <u>1,487,308</u> | <u>892,389</u> |

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under section 445(3) of the Companies Act 2006.

These abbreviated accounts were approved by the directors and authorised for issue on26/6/15
and are signed on their behalf by:



P. J. Miller
Director

The notes on pages 12 to 22 form part of these abbreviated accounts.

ABCA SYSTEMS LIMITED

CASH FLOW STATEMENT

YEAR ENDED 30th SEPTEMBER 2014

| | Year to 30 Sep 14 £ | £ | Period from 1 Jul 12 to 30 Sep 13 £ | £ |
|--|---------------------------|-----------------------|--|---------------------|
| NET CASH INFLOW FROM OPERATING ACTIVITIES | | 309,015 | | 72,539 |
| RETURNS ON INVESTMENTS AND SERVICING OF FINANCE | | | | |
| Interest received | 54 | | 130 | |
| Interest element of hire purchase | <u>(12,239)</u> | | <u>(18,610)</u> | |
| NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE | | (12,185) | | (18,480) |
| TAXATION | | 76,998 | | 78,874 |
| CAPITAL EXPENDITURE | | | | |
| Payments to acquire tangible fixed assets | — | | (36,748) | |
| Receipts from sale of fixed assets | <u>9,779</u> | | <u>29,249</u> | |
| NET CASH INFLOW/(OUTFLOW) FROM CAPITAL EXPENDITURE | | 9,779 | | (7,499) |
| EQUITY DIVIDENDS PAID | | — | | (60,000) |
| CASH INFLOW BEFORE FINANCING | | 383,607 | | 65,434 |
| FINANCING | | | | |
| Repayment of bank loans | (26,792) | | (31,938) | |
| Capital element of hire purchase | <u>(20,317)</u> | | <u>(30,622)</u> | |
| NET CASH OUTFLOW FROM FINANCING | | (47,109) | | (62,560) |
| INCREASE IN CASH | | <u>336,498</u> | | <u>2,874</u> |

The notes on pages 12 to 22 form part of these abbreviated accounts.

ABCA SYSTEMS LIMITED

CASH FLOW STATEMENT

YEAR ENDED 30th SEPTEMBER 2014

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

| | Year to 30 Sep 14 £ | Period from 1 Jul 12 to 30 Sep 13 £ |
|---|---------------------------|--|
| Operating profit | 578,121 | 161,104 |
| Amortisation | 72,151 | 90,189 |
| Depreciation | 67,102 | 106,091 |
| Profit on disposal of fixed assets | (9,098) | (216) |
| Increase in stocks | (3,524) | (65,899) |
| Increase in debtors | (126,578) | (298,026) |
| (Decrease)/increase in creditors | (269,159) | 79,296 |
| Net cash inflow from operating activities | <u>309,015</u> | <u>72,539</u> |

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

| | 2014 £ | 2013 £ |
|--|---------------|------------------|
| Increase in cash in the period | 336,498 | 2,874 |
| Net cash outflow from bank loans | 26,792 | 31,938 |
| Cash outflow in respect of hire purchase | <u>20,317</u> | <u>30,622</u> |
| | 383,607 | 65,434 |
| Change in net funds | 383,607 | 65,434 |
| Net debt at 1 October 2013 | (348,200) | (413,634) |
| Net funds at 30 September 2014 | <u>35,407</u> | <u>(348,200)</u> |

The notes on pages 12 to 22 form part of these abbreviated accounts.

ABCA SYSTEMS LIMITED

CASH FLOW STATEMENT

YEAR ENDED 30th SEPTEMBER 2014

ANALYSIS OF CHANGES IN NET FUNDS

| | At 1 Oct 2013 £ | Cash flows £ | At 30 Sep 2014 £ |
|--------------------------|--------------------------------|-------------------------|---------------------------------|
| Net cash: | | | |
| Cash in hand and at bank | 18,690 | 277,350 | 296,040 |
| Overdrafts | (59,148) | 59,148 | — |
| | <u>(40,458)</u> | <u>336,498</u> | <u>296,040</u> |
| Debt: | | | |
| Debt due within 1 year | (26,656) | (10,345) | (37,001) |
| Debt due after 1 year | (255,131) | 37,137 | (217,994) |
| Hire purchase agreements | (25,955) | 20,317 | (5,638) |
| | <u>(307,742)</u> | <u>47,109</u> | <u>(260,633)</u> |
| Net funds | <u>(348,200)</u> | <u>383,607</u> | <u>35,407</u> |

The notes on pages 12 to 22 form part of these abbreviated accounts.

ABCA SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30th SEPTEMBER 2014

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents the value of goods sold and services provided during the year net of discounts, returns and Value Added Tax. For goods sold, turnover is recognised when the goods are physically delivered to the customer and for services provided, turnover is recognised to the extent that and when there is a right to consideration.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 10% straight line

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property - 2.5% straight line

Fixtures & Fittings - 25% straight line

Motor Vehicles - 25% straight line

Stocks

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

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined benefit pension scheme for employees. The assets of the scheme are held separately from those of the company. The contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over the service lives of employees. Variations from the regular costs are spread over the average expected remaining working lives of current members in the scheme.

ABCA SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30th SEPTEMBER 2014

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

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 the transaction. Exchange differences are taken into account in arriving at the operating profit.

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.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

ABCA SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30th SEPTEMBER 2014

2. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

| | Year to 30 Sep 14 £ | Period from 1 Jul 12 to 30 Sep 13 £ |
|---|---------------------------|--|
| Amortisation of intangible assets | 72,151 | 90,189 |
| Depreciation of owned fixed assets | 40,899 | 53,624 |
| Depreciation of assets held under hire purchase agreements | 26,203 | 52,467 |
| Profit on disposal of fixed assets | (9,098) | (216) |
| Operating lease costs: | | |
| - Plant and equipment | 185,204 | 176,728 |
| - Other | 41,537 | 52,007 |
| Net loss on foreign currency translation | 312 | 149 |
| Auditor's remuneration - audit of the financial statements | 6,000 | 4,000 |
| Auditor's remuneration - other fees | 1,000 | - |
| | <u>2014</u> £ | <u>2013</u> £ |
| Auditor's remuneration - audit of the financial statements | <u>6,000</u> | <u>4,000</u> |
| Auditor's remuneration - other fees: | | |
| - Taxation compliance services | <u>1,000</u> | <u>-</u> |

ABCA SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30th SEPTEMBER 2014

3. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

| | Year to 30 Sep 14 No | Period from 1 Jul 12 to 30 Sep 13 No |
|--------------------------------|----------------------------|---|
| Number of production staff | 40 | 72 |
| Number of administrative staff | 38 | — |
| Number of management staff | 12 | 3 |
| | <u>90</u> | <u>75</u> |

The aggregate payroll costs of the above were:

| | Year to 30 Sep 14 £ | Period from 1 Jul 12 to 30 Sep 13 £ |
|-----------------------------------|---------------------------|--|
| Wages and salaries | 2,527,859 | 2,932,674 |
| Social security costs | 229,037 | — |
| Other pension costs | 6,824 | 6,869 |
| Pensions paid to former employees | 1,519 | 1,683 |
| | <u>2,765,239</u> | <u>2,941,226</u> |

4. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

| | Year to 30 Sep 14 £ | Period from 1 Jul 12 to 30 Sep 13 £ |
|---|---------------------------|--|
| Aggregate remuneration | 107,748 | 16,088 |
| Value of company pension contributions to money purchase schemes | 2,349 | 1,683 |
| | <u>110,097</u> | <u>17,771</u> |

ABCA SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30th SEPTEMBER 2014

4. DIRECTORS' REMUNERATION *(continued)*

The number of directors who accrued benefits under company pension schemes was as follows:

| | Year to | Period from |
|------------------------|------------------|--------------------|
| | 30 Sep 14 | 1 Jul 12 to |
| | No | 30 Sep 13 |
| | No | No |
| Money purchase schemes | <u>2</u> | <u>2</u> |

5. INTEREST PAYABLE AND SIMILAR CHARGES

| | Year to | Period from |
|-----------------|------------------|--------------------|
| | 30 Sep 14 | 1 Jul 12 to |
| | £ | 30 Sep 13 |
| | £ | £ |
| Finance charges | <u>12,239</u> | <u>18,610</u> |

6. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

| | Year to | Period from |
|--|------------------|--------------------|
| | 30 Sep 14 | 1 Jul 12 to |
| | £ | 30 Sep 13 |
| | £ | £ |
| Current tax: | | |
| UK Corporation tax based on the results for the year at 21% (2013 - 21%) | - | - |
| Over/under provision in prior year | <u>(76,998)</u> | <u>(216,588)</u> |
| Total current tax | <u>(76,998)</u> | <u>(216,588)</u> |
| Deferred tax: | | |
| Origination and reversal of timing differences | <u>(11,985)</u> | <u>(7,945)</u> |
| Tax on profit on ordinary activities | <u>(88,983)</u> | <u>(224,533)</u> |

ABCA SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30th SEPTEMBER 2014

6. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 21% (2013 - 21%).

| | Year to 30 Sep 14 £ | Period from 1 Jul 12 to 30 Sep 13 £ |
|--|---------------------------|--|
| Profit on ordinary activities before taxation | <u>565,936</u> | <u>142,624</u> |
| Profit on ordinary activities by rate of tax | 124,490 | 29,951 |
| Expenses not deductible for tax purposes | 11,779 | 5,467 |
| Capital allowances for period in excess of depreciation | 7,840 | 13,137 |
| Adjustments to tax charge in respect of previous periods | (76,998) | (216,588) |
| Fixed asset differences | 2,282 | (2,278) |
| Other permanent differences | 71 | (46,277) |
| Other short term differences | 2,294 | - |
| R&D credits | <u>(148,756)</u> | <u>-</u> |
| Total current tax (note 6(a)) | <u>(76,998)</u> | <u>(216,588)</u> |

7. DIVIDENDS

Equity dividends

| | Year to 30 Sep 14 £ | Period from 1 Jul 12 to 30 Sep 13 £ |
|----------------------------|---------------------------|--|
| Paid during the year: | | |
| Dividends on equity shares | <u>60,000</u> | <u>60,000</u> |

This represents a dividend of £6 (2013 - £6) per share.

ABCA SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30th SEPTEMBER 2014

8. INTANGIBLE FIXED ASSETS

| | Goodwill £ |
|---|----------------|
| COST | |
| At 1st October 2013 and 30th September 2014 | <u>721,509</u> |
| AMORTISATION | |
| At 1st October 2013 | 306,641 |
| Charge for the year | <u>72,151</u> |
| At 30th September 2014 | <u>378,792</u> |
| NET BOOK VALUE | |
| At 30th September 2014 | <u>342,717</u> |
| At 30th September 2013 | <u>414,868</u> |

9. TANGIBLE FIXED ASSETS

| | Freehold Property £ | Fixtures & Fittings £ | Motor Vehicles £ | Total £ |
|------------------------|---------------------------|-----------------------------|------------------------|----------------|
| COST | | | | |
| At 1st October 2013 | 415,000 | 135,981 | 158,696 | 709,677 |
| Disposals | — | — | (41,404) | (41,404) |
| At 30th September 2014 | <u>415,000</u> | <u>135,981</u> | <u>117,292</u> | <u>668,273</u> |
| DEPRECIATION | | | | |
| At 1st October 2013 | 44,094 | 84,323 | 102,719 | 231,136 |
| Charge for the year | 10,375 | 27,489 | 29,238 | 67,102 |
| On disposals | — | — | (40,723) | (40,723) |
| At 30th September 2014 | <u>54,469</u> | <u>111,812</u> | <u>91,234</u> | <u>257,515</u> |
| NET BOOK VALUE | | | | |
| At 30th September 2014 | <u>360,531</u> | <u>24,169</u> | <u>26,058</u> | <u>410,758</u> |
| At 30th September 2013 | <u>370,906</u> | <u>51,658</u> | <u>55,977</u> | <u>478,541</u> |

Hire purchase agreements

Included within the net book value of £410,758 is £19,212 (2013 - £80,349) relating to assets held under hire purchase agreements. The depreciation charged to the abbreviated accounts in the year in respect of such assets amounted to £26,203 (2013 - £52,467).

ABCA SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30th SEPTEMBER 2014

10. STOCKS

| | 2014 | 2013 |
|----------------|----------------|----------------|
| | £ | £ |
| Finished goods | <u>351,522</u> | <u>347,998</u> |

11. DEBTORS

| | 2014 | 2013 |
|--------------------------------|------------------|------------------|
| | £ | £ |
| Trade debtors | 970,871 | 814,473 |
| Other debtors | 171,179 | 98,242 |
| Prepayments and accrued income | 1,047,314 | 1,150,071 |
| Deferred taxation (note 12) | 3,098 | - |
| | <u>2,192,462</u> | <u>2,062,786</u> |

12. DEFERRED TAXATION

The deferred tax included in the Balance sheet is as follows:

| | Year to 30 Sep 14 £ | Period from 1 Jul 12 to 30 Sep 13 £ |
|-------------------------------|---------------------------|--|
| Included in debtors (note 11) | 3,098 | - |
| Included in provisions | - | (8,887) |
| | <u>3,098</u> | <u>(8,887)</u> |

The movement in the deferred taxation account during the year was:

| | Year to 30 Sep 14 £ | Period from 1 Jul 12 to 30 Sep 13 £ |
|--|---------------------------|--|
| Balance brought forward | (8,887) | (16,832) |
| Profit and loss account movement arising during the year | 11,985 | 7,945 |
| Balance carried forward | <u>3,098</u> | <u>(8,887)</u> |

ABCA SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30th SEPTEMBER 2014

12. DEFERRED TAXATION *(continued)*

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

| | 2014 | 2013 |
|---|--------------|----------------|
| | £ | £ |
| Excess of depreciation over taxation allowances | 1,013 | (8,887) |
| Other timing differences | 2,085 | - |
| | <u>3,098</u> | <u>(8,887)</u> |

13. CREDITORS: Amounts falling due within one year

| | 2014 | 2013 |
|------------------------------------|------------------|------------------|
| | £ | £ |
| Bank loans and overdrafts | 37,001 | 85,804 |
| Trade creditors | 1,228,976 | 1,263,707 |
| Other taxation and social security | 235,311 | 211,086 |
| Hire purchase agreements | 5,638 | 19,924 |
| Other creditors | 183,458 | 140,014 |
| Directors current accounts | 61,102 | 222,748 |
| Accruals and deferred income | 136,711 | 217,162 |
| | <u>1,888,197</u> | <u>2,160,445</u> |

The following liabilities disclosed under creditors falling due within one year are secured by the company:

| | 2014 | 2013 |
|---------------------------|---------------|----------------|
| | £ | £ |
| Bank loans and overdrafts | 37,001 | 85,804 |
| Hire purchase agreements | 5,638 | 19,924 |
| | <u>42,639</u> | <u>105,728</u> |

The bank overdraft and loans are secured by a fixed and floating charge over the assets of the company. The hire purchase agreements are secured by a charge over the assets to which they relate.

Obligations under hire purchase agreements are secured on the related assets.

14. CREDITORS: Amounts falling due after more than one year

| | 2014 | 2013 |
|---------------------------|----------------|----------------|
| | £ | £ |
| Bank loans and overdrafts | 217,994 | 255,131 |
| Hire purchase agreements | - | 6,031 |
| | <u>217,994</u> | <u>261,162</u> |

ABCA SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30th SEPTEMBER 2014

14. CREDITORS: Amounts falling due after more than one year *(continued)*

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

| | 2014 | 2013 |
|------------------------------|----------------|----------------|
| | £ | £ |
| Bank loans and overdrafts | 217,994 | 255,131 |
| Payments received on account | — | 6,031 |
| | <u>217,994</u> | <u>261,162</u> |

The bank loans are secured by a fixed and floating charge over the assets of the company. The hire purchase agreements are secured by a charge over the assets to which they relate.

Obligations under hire purchase agreements are secured on the related assets.

15. CREDITORS - CAPITAL INSTRUMENTS

Creditors include finance capital which is due for repayment as follows:

| | 2014 | 2013 |
|---|----------------|----------------|
| | £ | £ |
| Amounts repayable: | | |
| In one year or less or on demand | 42,639 | 105,728 |
| In more than one year but not more than two years | 37,001 | 33,308 |
| In more than two years but not more than five years | 111,002 | 85,782 |
| In more than five years | 69,991 | 142,072 |
| | <u>260,633</u> | <u>366,890</u> |

16. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

| | 2014 | 2013 |
|---|--------------|---------------|
| | £ | £ |
| Amounts payable within 1 year | 5,638 | 19,924 |
| Amounts payable between 1 and 2 years | — | 6,031 |
| | <u>5,638</u> | <u>25,955</u> |
| Hire purchase agreements are analysed as follows: | | |
| Current obligations | 5,638 | 19,924 |
| Non-current obligations | — | 6,031 |
| | <u>5,638</u> | <u>25,955</u> |

ABCA SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30th SEPTEMBER 2014

17. COMMITMENTS UNDER OPERATING LEASES

At 30th September 2014 the company had annual commitments under non-cancellable operating leases as set out below.

| | Assets other than Land and buildings | |
|---------------------------------|--------------------------------------|---------------|
| | 2014 | 2013 |
| | £ | £ |
| Operating leases which expire: | | |
| After 1 year but within 5 years | <u>109,648</u> | <u>54,401</u> |

18. SHARE CAPITAL

Allotted, called up and fully paid:

| | 2014 | | 2013 | |
|-------------------------------|---------------|------------|---------------|------------|
| | No | £ | No | £ |
| Ordinary shares of £0.01 each | <u>10,000</u> | <u>100</u> | <u>10,000</u> | <u>100</u> |

19. PROFIT AND LOSS ACCOUNT

| | Year to 30 Sep 14 £ | Period from 1 Jul 12 to 30 Sep 13 £ |
|-------------------------------|---------------------------|--|
| Balance brought forward | 892,289 | 585,132 |
| Profit for the financial year | 654,919 | 367,157 |
| Equity dividends | (60,000) | (60,000) |
| Balance carried forward | <u>1,487,208</u> | <u>892,289</u> |

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 2014 £ | 2013 £ |
|-------------------------------------|------------------|----------------|
| Profit for the financial year | 654,919 | 367,157 |
| Equity dividends | (60,000) | (60,000) |
| Net addition to shareholders' funds | 594,919 | 307,157 |
| Opening shareholders' funds | <u>892,389</u> | <u>585,232</u> |
| Closing shareholders' funds | <u>1,487,308</u> | <u>892,389</u> |

21. ULTIMATE CONTROLLING PARTY

In the opinion of the directors there is no ultimate controlling party.