

COMPANY REGISTRATION NUMBER  
06584936

**ACS BUSINESS SUPPLIES LIMITED**  
**FINANCIAL STATEMENTS**  
**31 DECEMBER 2013**



**McKELVIE & CO**  
Chartered Accountants & Statutory Auditor  
82 Wandsworth Bridge Road  
London  
UK  
SW6 2TF

**ACS BUSINESS SUPPLIES LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

**The board of directors**

M Hussain  
N Gold  
R H Stevenson  
S Jones-Cawkwell

**Registered office**

82 High Road  
Byfleet  
Surrey  
KT14 7QW

**Auditor**

McKelvie & Co  
Chartered Accountants  
& Statutory Auditor  
82 Wandsworth Bridge Road  
London  
UK  
SW6 2TF

**Bankers**

Lloyds Bank Plc  
25 Gresham Street  
London  
EC2V 7HN

# **ACS BUSINESS SUPPLIES LIMITED**

## **STRATEGIC REPORT**

### **YEAR ENDED 31 DECEMBER 2013**

The directors present their strategic report for ACS Business Supplies Limited for the year ended 31 December 2013.

#### **BUSINESS REVIEW**

The company's principal activity during the year continued to be that of the distribution and sale of Information Technology equipment and office products.

The company experienced steady growth in 2013 having consolidated the rapid growth experienced in previous years. Turnover increased by 15% with a resultant increase in profitability. 2013 showed an increase in sales through its corporate and public sector divisions which with its other brands is expected to continue through 2014 onwards.

The company shows a continuing improving Balance Sheet position in terms of liquidity and growth and the directors are seeking to continue their policies to continue this position. The company has adequate facilities in place to take advantage of business opportunities as they arise and consider the state of affairs to be satisfactory.

The company faces a number of risks and uncertainties and the directors believe that the key business risks are in respect of competition and economic climate. In view of these risks and uncertainties, the directors are aware that the development of the company may be affected by factors outside their control.

The directors anticipate the business environment will remain competitive. They believe that the company is in a good financial position and they remain confident that the company will continue to grow at reasonable rates going forward whilst remaining profitable.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The company faces a number of business risks and uncertainties due to competition and economic climate. In view of this, the directors continue to look at both existing and potential new markets.

#### **FINANCIAL INSTRUMENTS**

The company has a normal level of exposure to price, credit, liquidity and cash flow risks arising from trading activities which are only conducted in sterling. The company does not enter into any hedging transactions.

#### **FUTURE DEVELOPMENTS**

The company is currently undertaking further development to improve the performance of its trading activities.

Signed on behalf of the directors



M Hussain  
Director

Approved by the directors on 23 September 2014

# **ACS BUSINESS SUPPLIES LIMITED**

## **DIRECTORS' REPORT**

### **YEAR ENDED 31 DECEMBER 2013**

The directors present their report and the financial statements of the company for the year ended 31 December 2013.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company during the year continued to be that of the distribution and sale of Information Technology equipment and office products.

#### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £123,649. Particulars of dividends paid are detailed in note 9 to the financial statements.

#### **DIRECTORS**

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

M Hussain  
N Gold  
R H Stevenson  
S Jones-Cawkwell

#### **DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, 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 of the profit or loss of the company for that year.

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.

# ACS BUSINESS SUPPLIES LIMITED

## DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2013

### DONATIONS

During the year the company made the following contributions:

	2013	2012
	£	£
Charitable	<u>7,316</u>	<u>4,166</u>

### AUDITOR

McKelvie & Co are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Signed on behalf of the directors



M Hussain  
Director

Approved by the directors on 23 September 2014

**ACS BUSINESS SUPPLIES LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACS**  
**BUSINESS SUPPLIES LIMITED**

**YEAR ENDED 31 DECEMBER 2013**

We have audited the financial statements of ACS Business Supplies Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, Balance Sheet, Cash Flow Statement and the related notes. 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 an 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 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 DIRECTORS AND AUDITOR**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are 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 directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report 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 December 2013 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# **ACS BUSINESS SUPPLIES LIMITED**

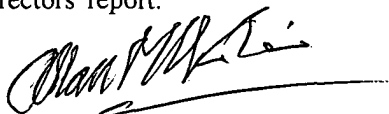
## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACS BUSINESS SUPPLIES LIMITED *(continued)***

**YEAR ENDED 31 DECEMBER 2013**

### **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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report.



Allan W McKelvie (Senior Statutory Auditor)  
For and on behalf of  
McKelvie & Co  
Chartered Accountants & Statutory Auditor

82 Wandsworth Bridge Road  
London  
UK  
SW6 2TF

23 September 2014

# ACS BUSINESS SUPPLIES LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2013

	Note	2013 £	2012 £
<b>TURNOVER</b>	<b>2</b>	<b>12,040,630</b>	10,434,950
Cost of sales		<u>7,811,193</u>	<u>6,851,788</u>
<b>GROSS PROFIT</b>		<b>4,229,437</b>	3,583,162
Administrative expenses		<u>3,970,566</u>	<u>3,368,263</u>
<b>OPERATING PROFIT</b>	<b>3</b>	<b>258,871</b>	214,899
Interest receivable		704	274
Interest payable and similar charges	7	<u>(50,476)</u>	<u>(40,861)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>209,099</b>	174,312
Tax on profit on ordinary activities	8	<u>85,450</u>	<u>60,498</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b><u>123,649</u></b>	<b><u>113,814</u></b>

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

### Statement of total recognised gains and losses

There are no recognised gains or losses other than the profit of £123,649 attributable to the shareholders for the year ended 31 December 2013 (2012 - profit of £113,814).

The notes on pages 10 to 22 form part of these financial statements.



# ACS BUSINESS SUPPLIES LIMITED

## BALANCE SHEET

31 DECEMBER 2013

	Note	2013 £	2012 £
<b>FIXED ASSETS</b>			
Tangible assets	10	156,093	151,876
Investments	11	345	345
		<u>156,438</u>	<u>152,221</u>
<b>CURRENT ASSETS</b>			
Stocks	12	31,862	31,611
Debtors	13	3,306,336	2,536,250
Cash at bank		81,987	103,166
		<u>3,420,185</u>	<u>2,671,027</u>
<b>CREDITORS: Amounts falling due within one year</b>	14	<u>3,249,701</u>	<u>2,529,139</u>
<b>NET CURRENT ASSETS</b>		<u>170,484</u>	<u>141,888</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>326,922</u>	<u>294,109</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	15	150,000	150,000
<b>PROVISIONS FOR LIABILITIES</b>			
Deferred taxation	18	25,894	16,730
		<u>151,028</u>	<u>127,379</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	22	1,000	1,000
Profit and loss account	23	150,028	126,379
<b>SHAREHOLDERS' FUNDS</b>	24	<u>151,028</u>	<u>127,379</u>

These accounts were approved by the directors and authorised for issue on 23 September 2014, and are signed on their behalf by:



M Hussain  
Director

Company Registration Number: 06584936

The notes on pages 10 to 22 form part of these financial statements.

# ACS BUSINESS SUPPLIES LIMITED

## CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2013

	Note	2013 £	2012 £
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	25	207,007	(62,222)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	25	(49,772)	(40,587)
TAXATION	25	(67,073)	(42,755)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	25	(54,401)	(43,873)
ACQUISITIONS AND DISPOSALS	25	-	(300)
EQUITY DIVIDENDS PAID		(100,000)	(55,000)
CASH OUTFLOW BEFORE FINANCING		(64,239)	(244,737)
FINANCING	25	43,060	307,396
(DECREASE)/INCREASE IN CASH		<u>(21,179)</u>	<u>62,659</u>

## RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

		2013		2012	
		£	£	£	£
(Decrease)/increase in cash in the period		(21,179)		62,659	
Net cash (inflow) from bank loans		<u>(43,060)</u>		<u>(306,397)</u>	
			(64,239)		(243,738)
Change in net debt	25		(64,239)		(243,738)
Net debt at 1 January 2013	25		<u>(1,306,352)</u>		<u>(1,062,614)</u>
Net debt at 31 December 2013	25		<u>(1,370,591)</u>		<u>(1,306,352)</u>

The notes on pages 10 to 22 form part of these financial statements.

**ACS BUSINESS SUPPLIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2013**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

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

In accordance with applicable United Kingdom Accounting Standards. Group accounts have not been prepared as the subsidiary undertakings are non-trading entities and as such would not materially impact on the reported figures. Therefore the accounts present information about the company as an individual undertaking and not about its group.

**Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax. Rental income from operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, which is credited to the profit and loss account over the period of the lease on a straight line basis.

**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:

Leasehold Property improvements	- 10% per annum straight line
Fixtures & equipment	- 25% per annum reducing balance

**Investment**

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value.

**Stocks**

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

**ACS BUSINESS SUPPLIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2013**

**1. ACCOUNTING POLICIES** *(continued)*

**Leasing and hire purchase commitments**

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the assets have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

**Pension costs**

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

**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.

# ACS BUSINESS SUPPLIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

### 1. ACCOUNTING POLICIES *(continued)*

#### Invoice discounting arrangement

The company has entered into an arrangement with its bankers to assigns its entitlement to funds receivable from its invoices to its bankers for which the company receives advanced funds. The terms of the agreement are that the company retains the ultimate responsibility for the assigned debt and as such the assigned debtors are included gross as assets and advances revived from the company's bankers are included as liabilities within creditors. Interest charged by the bank under this arrangement is accrued and charged to the profit and loss account as interest payable.

### 2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company. An analysis of turnover is given below:

	2013 £	2012 £
United Kingdom	11,997,398	10,395,045
Overseas	43,232	39,905
	<u>12,040,630</u>	<u>10,434,950</u>

Operating lease rentals income for the year ended 31 December 2013 was £152,285 (2012: £4,901).

### 3. OPERATING PROFIT

Operating profit is stated after charging:

	2013 £	2012 £
Depreciation of owned fixed assets	50,184	43,054
Auditor's remuneration		
- as auditor	12,000	7,500
-other services	-	20,442
	<u>-</u>	<u>20,442</u>

### 4. OPERATING PROFIT – LEASES

Operating profit is stated after charging:

Operating lease rentals - plant & machinery	107,286	85,010
Operating lease rentals - land & buildings	<u>62,067</u>	<u>71,853</u>

**ACS BUSINESS SUPPLIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2013**

**5. PARTICULARS OF EMPLOYEES**

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

	2013	2012
	No	No
Number of administrative staff	18	16
Number of other staff	59	54
	<u>77</u>	<u>70</u>

The aggregate payroll costs of the above were:

	2013	2012
	£	£
Wages and salaries	2,491,790	2,118,246
Social security costs	268,932	242,301
Other pension costs	88,639	83,601
	<u>2,849,361</u>	<u>2,444,148</u>

**6. DIRECTORS' REMUNERATION**

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

	2013	2012
	£	£
Remuneration receivable	250,764	112,378
Value of company pension contributions to money purchase schemes	12,970	-
	<u>263,734</u>	<u>112,378</u>

Remuneration of highest paid director:

	2013	2012
	£	£
Total remuneration (excluding pension contributions)	80,981	-
Value of company pension contributions to money purchase schemes	1,625	-
	<u>82,606</u>	<u>-</u>

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

	2013	2012
	No	No
Money purchase schemes	<u>3</u>	<u>-</u>

# ACS BUSINESS SUPPLIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

### 7. INTEREST PAYABLE AND SIMILAR CHARGES

	2013	2012
	£	£
Interest payable on bank borrowing	43,105	32,725
Other similar charges payable	7,371	8,136
	<u>50,476</u>	<u>40,861</u>

### 8. TAXATION ON ORDINARY ACTIVITIES

#### (a) Analysis of charge in the year

	2013	2012
	£	£
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 20.75% (2012 - 20.47%)	76,286	67,073
Total current tax	<u>76,286</u>	<u>67,073</u>
Deferred tax:		
Origination and reversal of timing differences (note 18)		
Capital allowances	9,164	(6,575)
Tax on profit on ordinary activities	<u>85,450</u>	<u>60,498</u>

#### (b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20.75% (2012 - 20.47%).

	2013	2012
	£	£
Profit on ordinary activities before taxation	<u>209,099</u>	<u>174,312</u>
Profit on ordinary activities by rate of tax	43,382	35,682
Expenses not deductible for tax purposes	32,068	29,196
Capital allowances for period in excess of depreciation	(2,325)	2,195
Sundry tax adjusting items	3,161	-
Total current tax (note 8(a))	<u>76,286</u>	<u>67,073</u>

**ACS BUSINESS SUPPLIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2013**

**9. DIVIDENDS**

**Equity dividends**

	2013 £	2012 £
Paid during the year:		
Dividends on equity shares	<u>100,000</u>	<u>55,000</u>

**10. TANGIBLE FIXED ASSETS**

	Leasehold Property £	Fixtures, fittings, and equipment £	Total £
<b>COST</b>			
At 1 January 2013	11,822	270,263	282,085
Additions	–	54,524	54,524
Disposals	–	(123)	(123)
<b>At 31 December 2013</b>	<u>11,822</u>	<u>324,664</u>	<u>336,486</u>
<b>DEPRECIATION</b>			
At 1 January 2013	5,090	125,119	130,209
Charge for the year	1,182	49,002	50,184
<b>At 31 December 2013</b>	<u>6,272</u>	<u>174,121</u>	<u>180,393</u>
<b>NET BOOK VALUE</b>			
<b>At 31 December 2013</b>	<u>5,550</u>	<u>150,543</u>	<u>156,093</u>
At 31 December 2012	<u>6,732</u>	<u>145,144</u>	<u>151,876</u>

Fixed assets include assets leased under operating leases of:

	£
Cost	63,647
Accumulated depreciation	18,182

**11. INVESTMENTS**

	Total £
<b>COST</b>	
At 1 January 2013 and 31 December 2013	<u>345</u>
<b>NET BOOK VALUE</b>	
At 31 December 2013 and 31 December 2012	<u>345</u>



**ACS BUSINESS SUPPLIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2013**

**11. INVESTMENTS** *(continued)*

Investment in subsidiary undertakings £300 and other investments £45.

The company holds 20% or more of the share capital of the followings companies:

Company	Share held Class	%	Capital and reserves £	Profit (loss) for the year £
Registered in Republic of Ireland:				
Amalgamated Computer Supplies Ltd	Ordinary	50	6,122	2,794
Registered in England and Wales:				
Amalgamated Computer Supplies Ltd	Ordinary	100	100	-
Print Fleet Solutions Ltd	Ordinary	100	100	-
Scribble and Print Limited	Ordinary	100	100	-

**12. STOCKS**

	2013 £	2012 £
Stock	<u>31,862</u>	<u>31,611</u>

**13. DEBTORS**

	2013 £	2012 £
Trade debtors	2,553,782	2,069,317
Other debtors	253,057	64,661
Prepayments and accrued income	499,497	402,272
	<u>3,306,336</u>	<u>2,536,250</u>

**14. CREDITORS: Amounts falling due within one year**

	2013 £	2012 £
Bank loans	1,302,578	1,259,518
Trade creditors	1,055,409	807,883
Other creditors including taxation:		
Corporation tax	76,286	67,073
Other taxation and social security	220,854	128,799
Other creditors	55,045	45
	<u>2,710,172</u>	<u>2,263,318</u>
Accruals and deferred income	539,529	265,821
	<u>3,249,701</u>	<u>2,529,139</u>

# ACS BUSINESS SUPPLIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

### 15. CREDITORS: Amounts falling due after more than one year

	2013 £	2012 £
Other creditors:		
Other creditors	<u>150,000</u>	<u>150,000</u>

#### Analysis of maturity of debt:

Within one year or on demand	1,302,578	1,259,518
Between two to five years	150,000	150,000

The bank borrowings are secured on the company assets.

### 16. LOANS TO DIRECTORS

Loans are unsecured, interest free and repayable on demand

	B/fwd £	Paid £	Repaid £	C/fwd £
N Gold				
Loan	-	180,000	-	180,000

The loan to N P Gold has been repaid since the year end.

### 17. PENSION COMMITMENTS

The amount owing to the company pension scheme at 31 December 2013 was £15,237 (2012: nil).

### 18. DEFERRED TAXATION

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

	2013 £	2012 £
Provision brought forward	16,730	23,305
Profit and loss account movement arising during the year	<u>9,164</u>	<u>(6,575)</u>
Provision carried forward	<u>25,894</u>	<u>16,730</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2013 £	2012 £
Excess of taxation allowances over depreciation on fixed assets	<u>25,894</u>	<u>16,730</u>
	<u>25,894</u>	<u>16,730</u>

# **ACS BUSINESS SUPPLIES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **YEAR ENDED 31 DECEMBER 2013**

#### **19. COMMITMENTS UNDER OPERATING LEASES**

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as set out below.

	2013		2012	
	Land and buildings £	Other Items £	Land and buildings £	Other Items £
Operating leases which expire:				
Within 1 year	-	11,351	-	22,513
Within 2 to 5 years	55,000	60,294	-	54,179
	<u>55,000</u>	<u>71,645</u>	<u>-</u>	<u>76,692</u>

# ACS BUSINESS SUPPLIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

### 20. RELATED PARTY TRANSACTIONS

	2013 £	2012 £
<b>Amalgamated Computer Supplies Limited</b> The company has a 50% interest in the above named company. The company made sales to and received purchases from Amalgamated Computer Supplies Limited and provided loans to and guarantees on their behalf.		
Sales	43,232	39,905
Purchases	(88,696)	(24,565)
Amount due from (to) the related party	63,740	74,037
<b>H &amp; S Polythene Limited</b> The company's director, Mr N Gold, has a significant interest in the above named company.		
Amount due from (to) the related party	-	32
<b>Entress International Limited</b> The company's director, Mr N Gold, has a significant interest in the above named company. The company made sales to Entress International Limited during the year of £581.		
Amount due from (to) the related party	44	1,093
<b>M Hussain</b> Director and shareholder Mr Hussain had a credit loan balance with the company which was unsecured. Interest free and repayable on demand.		
Amount due from (to) the related party	(45,000)	-
<b>R H Stevenson</b> Director and shareholder Mr Stevenson had a credit loan balance with the company which was unsecured. Interest free and repayable on demand.		
Amount due from (to) the related party	(5,000)	-
<b>S Jones-Cawkwell</b> Director and shareholder Mr Jones-Cawkwell had a credit loan balance with the company which was unsecured. Interest free and repayable on demand.		
Amount due from (to) the related party	(5,000)	-

# ACS BUSINESS SUPPLIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2013

#### 21. PRIOR YEAR ADJUSTMENTS

The net debt within the cash flow statement for the year ended 31 December 2012 did not include other creditors falling due after more than one year of £150,000. The net debt as at 1 January 2013 has been adjusted accordingly from £1,156,352 to £1,306,352 in reconciliation of net cash flow to movement in net debt.

#### 22. SHARE CAPITAL

Allotted, called up and fully paid:

	2013		2012	
	No	£	No	£
A Ordinary shares of £0.01 each	90,000	900	90,000	900
B Ordinary shares of £0.01 each	10,000	100	10,000	100
	<u>100,000</u>	<u>1,000</u>	<u>100,000</u>	<u>1,000</u>

#### 23. PROFIT AND LOSS ACCOUNT

	2013	2012
	£	£
Balance brought forward	126,379	67,565
Profit for the financial year	123,649	113,814
Equity dividends	(100,000)	(55,000)
Balance carried forward	<u>150,028</u>	<u>126,379</u>

#### 24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2013	2012
	£	£
Profit for the financial year	123,649	113,814
New ordinary share capital subscribed	-	999
Equity dividends	(100,000)	(55,000)
Net addition to shareholders' funds	<u>23,649</u>	<u>59,813</u>
Opening shareholders' funds	<u>127,379</u>	<u>67,566</u>
Closing shareholders' funds	<u>151,028</u>	<u>127,379</u>

# ACS BUSINESS SUPPLIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

### 25. NOTES TO THE CASH FLOW STATEMENT

#### RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2013	2012
	£	£
Operating profit	258,871	214,899
Depreciation	50,184	43,054
Increase in stocks	(251)	(6,158)
Increase in debtors	(770,086)	(236,075)
Increase/(decrease) in creditors	668,289	(77,942)
Net cash inflow/(outflow) from operating activities	<u>207,007</u>	<u>(62,222)</u>

#### RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2013	2012
	£	£
Interest received	704	274
Interest paid	(50,476)	(40,861)
Net cash outflow from returns on investments and servicing of finance	<u>(49,772)</u>	<u>(40,587)</u>

#### TAXATION

	2013	2012
	£	£
Taxation	<u>(67,073)</u>	<u>(42,755)</u>

#### CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2013	2012
	£	£
Payments to acquire tangible fixed assets	(54,524)	(43,873)
Receipts from sale of fixed assets	123	-
Net cash outflow for capital expenditure and financial investment	<u>(54,401)</u>	<u>(43,873)</u>

#### ACQUISITIONS AND DISPOSALS

	2013	2012
	£	£
Acquisition of shares in group undertakings	-	(300)
Net cash outflow from acquisitions and disposals	<u>-</u>	<u>(300)</u>

# ACS BUSINESS SUPPLIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

### 25. NOTES TO THE CASH FLOW STATEMENT *(continued)*

#### FINANCING

	2013	2012
	£	£
Issue of equity share capital	-	999
Increase in bank loans	43,060	306,397
Net cash inflow from financing	<u>43,060</u>	<u>307,396</u>

#### ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jan 2013 £	Cash flows £	At 31 Dec 2013 £
Net cash:			
Cash in hand and at bank	<u>103,166</u>	<u>(21,179)</u>	<u>81,987</u>
Debt:			
Debt due within 1 year	(1,259,518)	(43,060)	(1,302,578)
Debt due after 1 year	<u>(150,000)</u>	<u>-</u>	<u>(150,000)</u>
	<u>(1,409,518)</u>	<u>(43,060)</u>	<u>(1,452,578)</u>
Net debt	<u>(1,306,352)</u>	<u>(64,239)</u>	<u>(1,370,591)</u>