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COMPANY REGISTRATION NUMBER 01555529

DATEL COMPUTING LIMITED

Directors Report and Financial Statements

31 May 2012



DATEL COMPUTING LIMITED

Financial Statements

YEAR ENDED 31 MAY 2012

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DATEL COMPUTING LIMITED

Officers and Professional Advisers

The Board of Directors

A K Simpson
D J Preston

Company Secretary

D J Preston

Registered Office

Cinnamon Park
Fearnhead
Warrington
Cheshire
WA2 0XP

Auditor

Ashworth Treasure Limited
Chartered Accountants
& Statutory Auditor
17-19 Park Street
Lytham
Lancashire
FY8 5LU

DATEL COMPUTING LIMITED

The Directors Report

YEAR ENDED 31 MAY 2012

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 May 2012

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company is the sale of business management software systems and associated implementation and support services. Datel is the UK's leading provider of business management systems to medium sized enterprises and is Sage's largest business partner. Businesses across a diverse cross section of markets and industries have chosen Datel to deliver critical software solutions.

Performance in the year

Datel achieved strong results for the year. We saw the benefits of having increased the scale and reach of our new business marketing and sales functions, and of the maturing and development of our Sage ERP X3 business, in record sales to new customers. At the same time we received a record level of orders from our existing customers, helped by high customer retention and satisfaction, and by an increasingly broad portfolio of additional products and services that we are able to offer to maximise the benefits that customers derive from their business management systems.

These factors led to significant increases in sales of software licences, and of consultancy, development and support services. Overall turnover increased by 18% to £16.8 million. 50% of revenue was attributable to annual support contracts.

There were some increases in costs to achieve and deliver the increased revenues, but there were also efficiency gains owing to the ability to use existing capacity more effectively. As a result, there was an increase of 47% in earnings before interest, tax, depreciation and amortisation, which rose from £1.13 million to £1.67 million. Profit before tax rose from £588,000 to £1.14 million.

In 2011 we were again delighted to be winners of several of Sage's annual awards, including Sage Business Partner of the Year, and Sage 200 and Sage ERP X3 Business Partner of the Year.

Position at the end of the year

The Company generated strong cash flows during the year and was net debt-free at the year end, with net cash funds of £1.03 million (2011 £178,000). The Company has no bank or other secured indebtedness.

Principal risk and uncertainties

The company maintains a strategy of strong management, leadership and training. This strategy enables the company to react quickly to changes in the business environment. Accordingly, the company is well placed to react to any future risks or uncertainties arising out of the business environment.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £858,852. Particulars of dividends paid are detailed in note 8 to the financial statements.

RESEARCH AND DEVELOPMENT

The company has introduced a research and development programme in order to strengthen its product base. The company's total expenditure on research and development during the year was estimated at £49,782 (2011 - £74,674).

DIRECTORS

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

A K Simpson

D J Preston

DATTEL COMPUTING LIMITED

The Directors Report *(continued)*

YEAR ENDED 31 MAY 2012

POLICY ON THE PAYMENT OF CREDITORS

Amounts due to suppliers are settled as expeditiously as possible within the terms of payment

In practice, the number of days taken to pay creditors, for the period covered by this report, calculated by dividing the total amount of trade creditors by the total value of supplies and multiplied by the number of days in the period was 45.6 days

DIRECTORS RESPONSIBILITIES

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 of the profit or loss of the company for that period. In preparing those 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,
- 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.

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

POLITICAL AND CHARITABLE CONTRIBUTIONS

Charitable donations made in the year amounted to £14,067 (2011 - £8,403)

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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

DATEL COMPUTING LIMITED

The Directors Report *(continued)*

YEAR ENDED 31 MAY 2012

AUDITOR

The auditors, Ashworth Treasure Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting

Registered office
Cinnamon Park
Fearnhead
Warrington
Cheshire
WA2 0XP

Signed by order of the directors



D J Preston
Company Secretary

Approved by the directors on 27 November 2012

DATTEL COMPUTING LIMITED

Report of the Independent Auditors to the Members of Datel Computing Limited

YEAR ENDED 31 MAY 2012

We have audited the financial statements of Datel Computing Limited for the year ended 31 May 2012 on pages 7 to 17. 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 (APB'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 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. 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 May 2012 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 MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

DATEL COMPUTING LIMITED

Report of the Independent Auditors to the Members of Datel Computing Limited *(continued)*

YEAR ENDED 31 MAY 2012

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

17-19 Park Street
Lytham
Lancashire
FY8 5LU

27 November 2012

VICTORIA REYNOLDS (Senior
Statutory Auditor)
For and on behalf of
ASHWORTH TREASURE LIMITED
Chartered Accountants
& Statutory Auditor

DATEL COMPUTING LIMITED

Profit and Loss Account

YEAR ENDED 31 MAY 2012

	Note	2012 £	2011 £
TURNOVER	2	16,767,867	14,211,702
Cost of sales		<u>6,012,292</u>	<u>4,934,219</u>
GROSS PROFIT		10,755,575	9,277,483
Distribution costs		<u>6,625,014</u>	<u>6,217,265</u>
Administrative expenses		<u>2,468,050</u>	<u>1,929,827</u>
OPERATING PROFIT BEFORE AMORTISATION AND DEPRECIATION		1,662,511	1,130,391
Amortisation of intangible fixed assets		<u>399,841</u>	<u>412,522</u>
Depreciation of tangible fixed assets		<u>118,645</u>	<u>128,323</u>
OPERATING PROFIT	3	1,144,025	589,546
Interest receivable		<u>1,172</u>	<u>12,000</u>
Interest payable and similar charges	6	<u>(9,213)</u>	<u>(13,553)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,135,984	587,993
Tax on profit on ordinary activities	7	<u>277,132</u>	<u>102,117</u>
PROFIT FOR THE FINANCIAL YEAR		<u>858,852</u>	<u>485,876</u>

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 9 to 17 form part of these financial statements.

DATEL COMPUTING LIMITED

Balance Sheet

31 MAY 2012

	Note	2012 £	2011 £
FIXED ASSETS			
Intangible assets	9	1,900,088	2,299,929
Tangible assets	10	524,823	281,688
Investments	11	28	28
		<u>2,424,939</u>	<u>2,581,645</u>
CURRENT ASSETS			
Stocks	12	192,012	155,913
Debtors	13	6,452,909	5,959,554
Cash at bank		<u>1,237,738</u>	<u>428,368</u>
		7,882,659	6,543,835
CREDITORS: Amounts Falling due Within One Year	14	<u>3,063,444</u>	<u>3,019,865</u>
NET CURRENT ASSETS		<u>4,819,215</u>	<u>3,523,970</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,244,154</u>	<u>6,105,615</u>
CREDITORS. Amounts Falling due after More than One Year	15	148,128	194,451
PROVISIONS FOR LIABILITIES			
Deferred taxation	17	48,923	–
ACCRUALS AND DEFERRED INCOME	18	<u>4,801,362</u>	<u>4,404,275</u>
		<u>2,245,741</u>	<u>1,506,889</u>
CAPITAL AND RESERVES			
Called-up equity share capital	21	25,000	25,000
Profit and loss account	22	<u>2,220,741</u>	<u>1,481,889</u>
SHAREHOLDERS' FUNDS	23	<u>2,245,741</u>	<u>1,506,889</u>

These financial statements were approved by the directors and authorised for issue on 27 November 2012, and are signed on their behalf by


D J Preston
Director

Company Registration Number 01555529

The notes on pages 9 to 17 form part of these financial statements.

DATEL COMPUTING LIMITED

Notes to the Financial Statements

YEAR ENDED 31 MAY 2012

1. ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared under the historical cost convention

Preparation of consolidated financial statements

The financial statements contain information about Datel Computing Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its associated undertaking are included in the consolidated financial statements of its parent, Datel Group PLC, a company registered in England

Cash Flow Statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax, except in respect of service contracts where turnover is recognised when the company obtains the right to consideration

Research and Development

Research and development expenditure is written off in the year in which it is incurred

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 - straight line basis over 10 years

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

Fixtures & fittings - 15% on reducing balance

Computer equipment - 33% on cost

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 and Other Post-Retirement Benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension costs charged represents contributions paid by the company to the fund

DATEL COMPUTING LIMITED

Notes to the Financial Statements

YEAR ENDED 31 MAY 2012

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, except that 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

Investments

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

Long Term Contracts

When the outcome of an individual contract can be foreseen with reasonable certainty and can be estimated reliably, margin is recognised by reference to the stage of completion, based on the lower of the percentage margin earned to date and that prudently forecast at completion. This is after the deduction of any foreseeable losses and applicable payments on account

Operating profit is stated after attributable profit on long term contracts completed and amounts recoverable on contracts uncompleted, the latter also being included within debtors due within one year

2. TURNOVER

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

3. OPERATING PROFIT

Operating profit is stated after charging

	2012	2011
	£	£
Amortisation of intangible assets	399,841	412,522
Depreciation of owned fixed assets	118,645	128,323
Auditor's remuneration		
- as auditor	6,000	6,000
- for other services	33,201	17,486

DATEL COMPUTING LIMITED

Notes to the Financial Statements

YEAR ENDED 31 MAY 2012

4. PARTICULARS OF EMPLOYEES

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

	2012	2011
	No	No
Sales, distribution and programming	123	120
Office and management	17	16
	<u>140</u>	<u>136</u>

The aggregate payroll costs of the above were

	2012	2011
	£	£
Wages and salaries	6,637,164	5,920,496
Social security costs	715,744	637,412
Other pension costs	216,991	203,564
	<u>7,569,899</u>	<u>6,761,472</u>

5. DIRECTORS REMUNERATION

The directors aggregate remuneration in respect of qualifying services were

	2012	2011
	£	£
Remuneration receivable	220,846	177,221
Value of company pension contributions to money purchase schemes	6,514	550
	<u>227,360</u>	<u>177,771</u>

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

	2012	2011
	No	No
Money purchase schemes	<u>2</u>	<u>2</u>

Total remuneration (excluding pension contributions) for the highest paid director in the year was £214,425. The Company pension contributions to the money purchase schemes for the highest paid director was £6,514 for the year.

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2012	2011
	£	£
Other interest	1,009	4,175
Other loan interest	8,204	9,378
	<u>9,213</u>	<u>13,553</u>

DATEL COMPUTING LIMITED

Notes to the Financial Statements

YEAR ENDED 31 MAY 2012

7. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2012 £	2011 £
Current tax:		
In respect of the year		
UK Corporation tax based on the results for the year at 25 70% (2011 - 27 50%)	222,084	127,547
Over/under provision in prior year	-	(35,074)
Total current tax	222,084	92,473
Deferred tax:		
Origination and reversal of timing differences (note 17)		
Capital allowances	55,048	9,644
Tax on profit on ordinary activities	277,132	102,117

(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 25 70% (2011 - 27 50%)

	2012 £	2011 £
Profit on ordinary activities before taxation	1,135,984	587,993
Profit on ordinary activities by rate of tax	291,948	161,698
Expenses not deductible for tax purposes	6,618	1,976
Depreciation in excess of capital allowances	(55,166)	(4,116)
Small company rates	(8,522)	(16,859)
Adjustments to tax charge in respect of previous periods	-	(35,074)
R&D Expenditure	(12,794)	(15,152)
Total current tax (note 7(a))	222,084	92,473

8. DIVIDENDS

	2012 £	2011 £
Paid during the year		
Ordinary shares of £1 each	120,000	100,000

DATEL COMPUTING LIMITED

Notes to the Financial Statements

YEAR ENDED 31 MAY 2012

9. INTANGIBLE FIXED ASSETS

	Goodwill £	Patents and licences £	Total £
COST			
At 1 June 2011 and 31 May 2012	<u>4,152,015</u>	<u>912,833</u>	<u>5,064,848</u>
AMORTISATION			
At 1 June 2011	1,852,086	912,833	2,764,919
Charge for the year	<u>399,841</u>	<u>–</u>	<u>399,841</u>
At 31 May 2012	<u>2,251,927</u>	<u>912,833</u>	<u>3,164,760</u>
NET BOOK VALUE			
At 31 May 2012	<u>1,900,088</u>	<u>–</u>	<u>1,900,088</u>
At 31 May 2011	<u>2,299,929</u>	<u>–</u>	<u>2,299,929</u>

10. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £	Computer Equipment £	Total £
COST			
At 1 June 2011	764,241	623,683	1,387,924
Additions	218,782	143,774	362,556
Disposals	<u>–</u>	<u>(119,940)</u>	<u>(119,940)</u>
At 31 May 2012	<u>983,023</u>	<u>647,517</u>	<u>1,630,540</u>
DEPRECIATION			
At 1 June 2011	551,120	555,116	1,106,236
Charge for the year	22,225	96,420	118,645
On disposals	<u>–</u>	<u>(119,164)</u>	<u>(119,164)</u>
At 31 May 2012	<u>573,345</u>	<u>532,372</u>	<u>1,105,717</u>
NET BOOK VALUE			
At 31 May 2012	<u>409,678</u>	<u>115,145</u>	<u>524,823</u>
At 31 May 2011	<u>213,121</u>	<u>68,567</u>	<u>281,688</u>

DATEL COMPUTING LIMITED

Notes to the Financial Statements

YEAR ENDED 31 MAY 2012

11. INVESTMENTS

	Investment in Associate
	£
COST	
At 1 June 2011 and 31 May 2012	<u>28</u>
NET BOOK VALUE	
At 31 May 2012 and 31 May 2011	<u>28</u>

Investments (neither listed nor unlisted) were as follows

Associated Company	Country of incorporation	Nature of business	Class of shares	% Holding
Datel Advansys Limited	England	Information Technology	Ordinary	28 00
			2012	2011
			£	£
Aggregate capital and reserves			(19,028)	(103,723)
Profit/(loss) for the year			<u>84,695</u>	<u>(37,225)</u>

12. STOCKS

	2012	2011
	£	£
Stocks	<u>192,012</u>	<u>155,913</u>

13. DEBTORS

	2012	2011
	£	£
Trade debtors	2,815,118	3,058,574
Amounts owed by group undertakings	2,616	2,616
Other debtors	167,389	411,813
Prepayments	1,390,193	635,274
Prepaid maintenance costs	2,077,593	1,845,152
Deferred taxation (note 17)	–	6,125
	<u>6,452,909</u>	<u>5,959,554</u>

DATEL COMPUTING LIMITED

Notes to the Financial Statements

YEAR ENDED 31 MAY 2012

14. CREDITORS: Amounts Falling due Within One Year

	2012 £	2011 £
Other loans	55,581	55,548
Trade creditors	1,745,890	1,266,363
Corporation tax	187,011	92,474
PAYE and social security	192,258	175,602
VAT	421,578	482,952
Directors current accounts	15,339	605,757
Accruals	445,787	341,169
	<u>3,063,444</u>	<u>3,019,865</u>

15. CREDITORS: Amounts Falling due after More than One Year

	2012 £	2011 £
Other loans	<u>148,128</u>	<u>194,451</u>

16. LOANS

An analysis of the maturity of loans is given below

	2012 £	2011 £
Amounts falling due within one year or on demand		
Other loans	<u>55,581</u>	<u>55,548</u>
Amounts falling due within one and two years		
Other loans 1-2 years	<u>55,548</u>	<u>55,548</u>
Amounts falling due between two and five years		
Other loans 2-5 years	<u>92,580</u>	<u>138,903</u>

17. DEFERRED TAXATION

The deferred tax included in the Balance sheet is as follows

	2012 £	2011 £
Included in debtors (note 13)	-	(6,125)
Included in provisions	<u>48,923</u>	<u>-</u>
	<u>48,923</u>	<u>(6,125)</u>

The movement in the deferred taxation account during the year was

	2012 £	2011 £
Balance brought forward	(6,125)	(15,769)
Profit and loss account movement arising during the year	<u>55,048</u>	<u>9,644</u>
Balance carried forward	<u>48,923</u>	<u>(6,125)</u>

DATEL COMPUTING LIMITED

Notes to the Financial Statements

YEAR ENDED 31 MAY 2012

17. DEFERRED TAXATION *(continued)*

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

	2012 £	2011 £
Excess of taxation allowances over depreciation on fixed assets	48,923	(6,125)
	<u>48,923</u>	<u>(6,125)</u>

18. ACCRUALS AND DEFERRED INCOME

	2012 £	2011 £
Deferred income on maintenance agreements	<u>4,801,362</u>	<u>4,404,275</u>

19. COMMITMENTS UNDER OPERATING LEASES

At 31 May 2012 the company had annual commitments under non-cancellable operating leases as set out below

	Land and buildings	
	2012 £	2011 £
Operating leases which expire		
Within 1 year	45,000	45,000
After more than 5 years	<u>248,164</u>	<u>248,164</u>
	<u>293,164</u>	<u>293,164</u>

20. RELATED PARTY DISCLOSURES

The ultimate holding company is Datel Group plc, a company registered in England and Wales

Exemption has been taken of related party disclosures in respect of group transactions on the grounds that details of the company are included in publicly available consolidated financial statements

Datel Protex Systems Limited is an associate of Datel Group plc

Datel Advansys Limited is an associate of Datel Computing Limited

At the balance sheet date, Datel Computing Limited owed Datel Protex Systems Limited a net amount of £80,703 (2011 Datel Protex Systems owed Datel Computing Limited a net amount of £259,580) During the year, Datel Computing Limited invoiced Datel Protex Systems Limited a net amount of £37,507 (2011 £136,373) Datel Protex Systems Limited invoiced Datel Computing Limited a net amount of £241,975 (2011 £23,807) in respect of the provision of goods and services These transactions were undertaken on an arms length basis

At the balance sheet date, Datel Advansys Limited owed Datel Computing Limited a net amount of £102,068 (2011 £124,827) During the year, Datel Computing Limited invoiced Datel Advansys Limited a net amount of £18,551 (2011 £32,301) Datel Advansys Limited invoiced Datel Computing Limited a net amount of £235,707 (2011 £50,454) in respect of the provision of goods and services These transactions were undertaken on an arms length basis

DATEL COMPUTING LIMITED

Notes to the Financial Statements

YEAR ENDED 31 MAY 2012

21 SHARE CAPITAL

Allotted, called up and fully paid:

	2012		2011	
	No	£	No	£
Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>

22. PROFIT AND LOSS ACCOUNT

	2012	2011
	£	£
Balance brought forward	1,481,889	1,096,013
Profit for the financial year	858,852	485,876
Equity dividends	(120,000)	(100,000)
Balance carried forward	<u>2,220,741</u>	<u>1,481,889</u>

23. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2012	2011
	£	£
Profit for the financial year	858,852	485,876
Equity dividends	(120,000)	(100,000)
Net addition to shareholders' funds	738,852	385,876
Opening shareholders' funds	1,506,889	1,121,013
Closing shareholders' funds	<u>2,245,741</u>	<u>1,506,889</u>

24. ULTIMATE CONTROLLING PARTY

The ultimate controlling party throughout the year was A K Simpson