

COMPANY REGISTRATION NUMBER 01555529

DATEL COMPUTING LIMITED

Directors Report and Financial Statements

31 May 2013

WEDNESDAY



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DATEL COMPUTING LIMITED

Financial Statements

YEAR ENDED 31 MAY 2013

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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 2013

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

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

We achieved high levels of customer retention and satisfaction, helped by an increasingly broad portfolio of products and services that we are able to offer to maximise the benefits that customers derive from their business management systems. We experienced strong demand from existing and new customers, and low churn of annual support and maintenance contracts. Turnover increased to £17.0 million (2012: £16.8 million). 51% of revenue was attributable to annual support contracts (2012: 50%).

We invested in developing the business, in particular increasing the number of staff involved in implementing Sage ERP X3, and in our research and development team. Overall headcount increased to 151 (2012: 140). The benefits of this investment are expected to be seen in future years' results. As a result of the consequent increase in costs there was a reduction in EBITDA to £1.32 million (2012: £1.66 million).

In 2012 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 £941,000 (2012: £1,034,000). 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 £734,601. 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 £111,241 (2012: £49,782).

DIRECTORS

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

A K Simpson
D J Preston

DATEL COMPUTING LIMITED

The Directors Report *(continued)*

YEAR ENDED 31 MAY 2013

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 62 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 year.

In preparing those 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.

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 £16,521 (2012 - £14,067)

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 2013

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 22 November 2013

DATEL COMPUTING LIMITED

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

YEAR ENDED 31 MAY 2013

We have audited the financial statements of Datel Computing Limited for the year ended 31 May 2013 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 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. 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 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 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 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

17-19 Park Street
Lytham
Lancashire
FY8 5LU

22 November 2013

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 2013

	Note	2013 £	2012 £
TURNOVER	2	17,020,346	16,767,867
Cost of sales		<u>5,872,405</u>	<u>6,012,292</u>
GROSS PROFIT		11,147,941	10,755,575
Distribution costs		<u>7,200,286</u>	<u>6,625,014</u>
Administrative expenses		<u>2,622,839</u>	<u>2,468,050</u>
OPERATING PROFIT BEFORE AMORTISATION AND DEPRECIATION		1,324,816	1,662,511
Amortisation of intangible fixed assets		<u>393,523</u>	<u>399,841</u>
Depreciation of tangible fixed assets		<u>161,609</u>	<u>118,645</u>
OPERATING PROFIT	3	769,684	1,144,025
Profit on sale of investment		<u>19,972</u>	<u>—</u>
		789,656	1,144,025
Interest receivable		<u>40,615</u>	<u>1,172</u>
Interest payable and similar charges	6	<u>(6,309)</u>	<u>(9,213)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		823,962	1,135,984
Tax on profit on ordinary activities	7	<u>89,361</u>	<u>277,132</u>
PROFIT FOR THE FINANCIAL YEAR		<u>734,601</u>	<u>858,852</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 2013

	Note	2013 £	2012 £
FIXED ASSETS			
Intangible assets	9	1,506,565	1,900,088
Tangible assets	10	456,845	524,823
Investments	11	—	28
		<u>1,963,410</u>	<u>2,424,939</u>
CURRENT ASSETS			
Stocks	12	73,036	192,012
Debtors	13	6,408,663	6,452,909
Cash at bank		1,089,565	1,237,738
		<u>7,571,264</u>	<u>7,882,659</u>
CREDITORS: Amounts Falling due Within One Year	14	<u>3,155,955</u>	<u>3,063,444</u>
NET CURRENT ASSETS		<u>4,415,309</u>	<u>4,819,215</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,378,719</u>	<u>7,244,154</u>
CREDITORS: Amounts Falling due after More than One Year	15	92,613	148,128
PROVISIONS FOR LIABILITIES			
Deferred taxation	17	32,756	48,923
ACCRUALS AND DEFERRED INCOME	18	<u>4,738,839</u>	<u>4,801,362</u>
		<u>1,514,511</u>	<u>2,245,741</u>
CAPITAL AND RESERVES			
Called-up equity share capital	21	25,000	25,000
Profit and loss account	22	1,489,511	2,220,741
SHAREHOLDERS' FUNDS	23	<u>1,514,511</u>	<u>2,245,741</u>

These financial statements were approved by the directors and authorised for issue on 22 November 2013, 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 2013

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 - 5%-33% on cost and 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 2013

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/(crediting)

	2013	2012
	£	£
Amortisation of intangible assets	393,523	399,841
Depreciation of owned fixed assets	161,609	118,645
Profit on disposal of fixed assets	(400)	—
Auditor's remuneration		
- as auditor	6,000	6,000
- for other services	23,113	33,201

DATEL COMPUTING LIMITED

Notes to the Financial Statements

YEAR ENDED 31 MAY 2013

4. PARTICULARS OF EMPLOYEES

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

	2013	2012
	No	No
Sales, distribution and programming	131	123
Office and management	20	17
	<u>151</u>	<u>140</u>

The aggregate payroll costs of the above were

	2013	2012
	£	£
Wages and salaries	7,128,653	6,637,164
Social security costs	763,894	715,744
Other pension costs	259,645	216,991
	<u>8,152,192</u>	<u>7,569,899</u>

5. DIRECTORS REMUNERATION

The directors aggregate remuneration in respect of qualifying services were

	2013	2012
	£	£
Remuneration receivable	209,680	220,846
Value of company pension contributions to money purchase schemes	7,365	6,514
	<u>217,045</u>	<u>227,360</u>

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

	2013	2012
	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 £201,029 (2012- £214,425) The Company pension contributions to the money purchase schemes for the highest paid director was £7,365 (2012- £6,514) for the year

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2013	2012
	£	£
Other interest	30	1,009
Other loan interest	6,279	8,204
	<u>6,309</u>	<u>9,213</u>

DATEL COMPUTING LIMITED

Notes to the Financial Statements

YEAR ENDED 31 MAY 2013

7. 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 23 80% (2012 - 25 70%)	120,327	222,084
Over provision in prior year	(14,799)	-
Total current tax	105,528	222,084
Deferred tax:		
Origination and reversal of timing differences (note 17)		
Capital allowances	(16,167)	55,048
Tax on profit on ordinary activities	89,361	277,132

(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 23 80% (2012 - 25 70%)

	2013 £	2012 £
Profit on ordinary activities before taxation	823,962	1,135,984
Profit on ordinary activities by rate of tax	196,103	291,948
Expenses not deductible for tax purposes	(1,512)	6,618
Depreciation in excess of capital allowances	8,503	(55,166)
Small company rates	(10,316)	(8,522)
Adjustments to tax charge in respect of previous periods	(14,799)	-
R&D Expenditure	(31,991)	(12,794)
Employee share acquisition in holding company	(40,460)	-
Total current tax (note 7(a))	105,528	222,084

8. DIVIDENDS

	2013 £	2012 £
Paid during the year		
Ordinary shares of £1 each	1,465,831	120,000

DATEL COMPUTING LIMITED

Notes to the Financial Statements

YEAR ENDED 31 MAY 2013

9. INTANGIBLE FIXED ASSETS

	Goodwill £	Patents and licences £	Total £
COST			
At 1 June 2012 and 31 May 2013	<u>4,152,015</u>	<u>912,833</u>	<u>5,064,848</u>
AMORTISATION			
At 1 June 2012	2,251,927	912,833	3,164,760
Charge for the year	<u>393,523</u>	<u>–</u>	<u>393,523</u>
At 31 May 2013	<u>2,645,450</u>	<u>912,833</u>	<u>3,558,283</u>
NET BOOK VALUE			
At 31 May 2013	<u>1,506,565</u>	<u>–</u>	<u>1,506,565</u>
At 31 May 2012	<u>1,900,088</u>	<u>–</u>	<u>1,900,088</u>

10. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £	Computer Equipment £	Total £
COST			
At 1 June 2012	983,023	647,517	1,630,540
Additions	23,292	70,339	93,631
Disposals	<u>–</u>	<u>(83,703)</u>	<u>(83,703)</u>
At 31 May 2013	<u>1,006,315</u>	<u>634,153</u>	<u>1,640,468</u>
DEPRECIATION			
At 1 June 2012	573,345	532,372	1,105,717
Charge for the year	32,896	128,713	161,609
On disposals	<u>–</u>	<u>(83,703)</u>	<u>(83,703)</u>
At 31 May 2013	<u>606,241</u>	<u>577,382</u>	<u>1,183,623</u>
NET BOOK VALUE			
At 31 May 2013	<u>400,074</u>	<u>56,771</u>	<u>456,845</u>
At 31 May 2012	<u>409,678</u>	<u>115,145</u>	<u>524,823</u>

DATEL COMPUTING LIMITED

Notes to the Financial Statements

YEAR ENDED 31 MAY 2013

11. INVESTMENTS

	Investment in Associate
	£
COST	
At 1 June 2012	28
Disposals	(28)
At 31 May 2013	-
NET BOOK VALUE	
At 31 May 2013	-
At 31 May 2012	28

Shares in Datel Advansys Limited were sold on the 13th March 2013. The investments (neither listed nor unlisted) in the prior year were as follows

Associated Company	Country of incorporation	Nature of business	Class of shares	% Holding
Datel Advansys Limited	England	Information Technology	Ordinary	28.00
			2013	2012
			£	£
Aggregate capital and reserves			-	(19,028)
Profit/(loss) for the year			-	84,695

12. STOCKS

	2013	2012
	£	£
Stocks	73,036	192,012

13. DEBTORS

	2013	2012
	£	£
Trade debtors	2,806,871	2,815,118
Amounts owed by group undertakings	-	2,616
Other debtors	123,052	167,389
Prepayments	1,406,546	1,390,193
Prepaid maintenance costs	2,072,194	2,077,593
	6,408,663	6,452,909

DATEL COMPUTING LIMITED

Notes to the Financial Statements

YEAR ENDED 31 MAY 2013

14. CREDITORS: Amounts Falling due Within One Year

	2013 £	2012 £
Other loans	55,548	55,581
Trade creditors	1,647,127	1,745,890
Amounts owed to group undertakings	9,883	—
Corporation tax	85,254	187,011
PAYE and social security	192,920	192,258
VAT	574,359	421,578
Directors current accounts	60,201	15,339
Accruals	530,663	445,787
	<u>3,155,955</u>	<u>3,063,444</u>

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

	2013 £	2012 £
Other loans	<u>92,613</u>	<u>148,128</u>

16. LOANS

An analysis of the maturity of loans is given below

	2013 £	2012 £
Amounts falling due within one year or on demand		
Other loans	<u>55,548</u>	<u>55,581</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>37,065</u>	<u>92,580</u>

17. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

	2013 £	2012 £
Provision brought forward	48,923	(6,125)
Profit and loss account movement arising during the year	<u>(16,167)</u>	<u>55,048</u>
Provision carried forward	<u>32,756</u>	<u>48,923</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>32,756</u>	<u>48,923</u>
	<u>32,756</u>	<u>48,923</u>

DATEL COMPUTING LIMITED

Notes to the Financial Statements

YEAR ENDED 31 MAY 2013

18. ACCRUALS AND DEFERRED INCOME

	2013 £	2012 £
Deferred income on maintenance agreements	<u>4,738,839</u>	<u>4,801,362</u>

19. COMMITMENTS UNDER OPERATING LEASES

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

	Land and buildings	
	2013 £	2012 £
Operating leases which expire		
Within 1 year	-	45,000
Within 2 to 5 years	49,200	-
After more than 5 years	<u>248,164</u>	<u>248,164</u>
	<u>297,364</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 was an associate of Datel Computing Limited up to the 13th March 2013

At the balance sheet date, Datel Computing Limited owed Datel Protex Systems Limited a net amount of £16,536 (2012 £80,703) During the year, Datel Computing Limited invoiced Datel Protex Systems Limited a net amount of £80,907 (2012 £37,507) Datel Protex Systems Limited invoiced Datel Computing Limited a net amount of £135,318 (2012 £241,975) in respect of the provision of goods and services These transactions were undertaken on an arms length basis

During the period 1st June 2012 to 13th March 2013, Datel Computing Limited invoiced Datel Advansys Limited a net amount of £16,153 (2012 £18,551) Datel Advansys Limited invoiced Datel Computing Limited a net amount of £164,395 (2012 £235,707) in respect of the provision of goods and services These transactions were undertaken on an arms length basis

21. SHARE CAPITAL

Allotted, called up and fully paid:

	2013		2012	
	No	£	No	£
Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>

DATEL COMPUTING LIMITED

Notes to the Financial Statements

YEAR ENDED 31 MAY 2013

22. PROFIT AND LOSS ACCOUNT

	2013 £	2012 £
Balance brought forward	2,220,741	1,481,889
Profit for the financial year	734,601	858,852
Equity dividends	(1,465,831)	(120,000)
Balance carried forward	<u>1,489,511</u>	<u>2,220,741</u>

23. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2013 £	2012 £
Profit for the financial year	734,601	858,852
Equity dividends	(1,465,831)	(120,000)
Net (reduction)/addition to shareholders' funds	<u>(731,230)</u>	<u>738,852</u>
Opening shareholders' funds	2,245,741	1,506,889
Closing shareholders' funds	<u>1,514,511</u>	<u>2,245,741</u>

24. ULTIMATE CONTROLLING PARTY

The ultimate controlling party throughout the year was A K Simpson