

CCL Computers Limited

FINANCIAL STATEMENTS

for the year ended

31 August 2014

THURSDAY



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COMPANIES HOUSE

CCL Computers Limited

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

A C Wood
S J Wood
S M Pell

SECRETARY

S J Wood

REGISTERED OFFICE

Inmoor Road
Cross Lane
Tong
Bradford
BD11 2PS

AUDITOR

Baker Tilly UK Audit LLP
Chartered Accountants
2 Whitehall Quay
Leeds
West Yorkshire
LS1 4HG

BANKERS

HSBC Bank plc
47 Market Street
Bradford
BD1 1LW

CCL Computers Limited

STRATEGIC REPORT

for the year ended 31 August 2014

REVIEW OF THE BUSINESS

The company's principal activities are the manufacture of bespoke own brand PC's for gaming, education and professional users and the retailing and wholesaling of PC components and peripherals. There have not been any significant changes in the company's principal activities in the year under review and the directors are not planning any major changes in the company's activities in the next year.

The company continues to invest in its infrastructure and website. This has resulted in improved logistics and supply chain management which in turn has enhanced the customer's order experience, and increased capacity to handle peak periods whilst meeting the highest levels of customer expectation and service.

As shown in the company's profit and loss account on page 6, the company's sales have increased by 29% over the prior year and profit after tax has similarly improved.

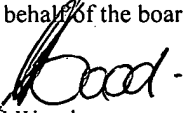
KEY PERFORMANCE INDICATORS

The key performance indicators are sales by sales channel in relation to the time of the week / month / year and product profit and stock levels relative to price, volatility, profit and run rate.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company trades in a competitive and price sensitive market which necessitates close management of stock and keen awareness of the changes in technology, the market and the activity of competitors. The company meets these challenges by maintaining close contact with suppliers and has bespoke supply chain management procedures for just in time procurement, live reporting on stock, sales, product profit and market prices. The company identifies higher margin opportunities and focuses on the USPs.

On behalf of the board


A C Wood
Director

Date: 26 MAY 2015

CCL Computers Limited

DIRECTORS' REPORT

for the year ended 31 August 2014

The directors submit their report and financial statements of CCL Computers Limited for the year ended 31 August 2014.

PRINCIPAL ACTIVITIES

The principal activity of the company is the retail and wholesale distribution of computer components, computer systems and accessories.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £365,303. The directors have not recommended payment of a dividend.

DIRECTORS

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

A C Wood
S J Wood
S M Pell

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

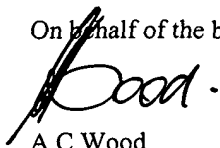
AUDITOR

Baker Tilly UK Audit LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

STRATEGIC REPORT

In accordance with Section 414(c) of the Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013, the company has prepared a Strategic Report, which includes information that would have previously been included in the Directors Report.

On behalf of the board



A C Wood
Director

Date: 26 MAY 2015

CCL Computers Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report and 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:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CCL COMPUTERS LIMITED

We have audited the financial statements on pages 6 to 15. 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 more fully explained in the Directors' Responsibilities Statement set out on page 4, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the 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 August 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Baker Tilly UK Audit LLP

STELLA COOPER (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
2 Whitehall Quay
Leeds
West Yorkshire
LS1 4HG

Date: 27 May 2015

CCL Computers Limited
PROFIT AND LOSS ACCOUNT
for the year ended 31 August 2014

	<i>Notes</i>	2014 £	2013 £
TURNOVER	2	22,803,272	17,625,130
Cost of sales		(20,568,212)	(15,918,114)
Gross profit		<u>2,235,060</u>	<u>1,707,016</u>
Administrative expenses		(1,766,211)	(1,496,684)
OPERATING PROFIT	3	<u>468,849</u>	<u>210,332</u>
Interest receivable		<u>3,752</u>	<u>2,214</u>
		472,601	212,546
Interest payable and similar charges	6	(3,152)	(1,913)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>469,449</u>	<u>210,633</u>
Taxation	7	(104,146)	(51,593)
PROFIT FOR THE FINANCIAL YEAR	17	<u><u>365,303</u></u>	<u><u>159,040</u></u>

The profit for the year arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

CCL Computers Limited

BALANCE SHEET

31 August 2014

	<i>Notes</i>	2014 £	2013 £
FIXED ASSETS			
Tangible assets	9	<u>275,602</u>	<u>327,882</u>
CURRENT ASSETS			
Stocks	10	835,017	873,014
Debtors	11	1,296,338	1,058,757
Cash at bank and in hand		<u>1,996,969</u>	<u>1,161,596</u>
		4,128,324	3,093,367
CREDITORS			
Amounts falling due within one year	12	<u>(2,280,821)</u>	<u>(1,654,622)</u>
NET CURRENT ASSETS			
		<u>1,847,503</u>	<u>1,438,745</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		2,123,105	1,766,627
Deferred taxation	13	<u>(36,099)</u>	<u>(44,924)</u>
		<u>2,087,006</u>	<u>1,721,703</u>
CAPITAL AND RESERVES			
Called up share capital	16	750	750
Other reserves	17	250	250
Profit and loss account	17	<u>2,086,006</u>	<u>1,720,703</u>
SHAREHOLDERS' FUNDS			
	18	<u>2,087,006</u>	<u>1,721,703</u>

The financial statements on pages 6 to 15 were approved by the board of directors and authorised for issue on 26 MAY 2015 and are signed on their behalf by:


A C Wood

CCL Computers Limited

CASH FLOW STATEMENT

for the year ended 31 August 2014

		2014	2013
		£	£
Net cash flow from operating activities	<i>Notes</i>	907,325	361,970
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		3,752	2,214
Interest paid		(3,152)	(1,913)
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		600	301
TAXATION		(50,156)	241
CAPITAL EXPENDITURE			
Payments to acquire tangible fixed assets		(22,396)	(31,720)
Receipts from sale of fixed assets		—	501
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE		(22,396)	(31,219)
Equity dividends paid		—	(50,000)
INCREASE IN CASH IN THE PERIOD	19	<u>835,373</u>	<u>281,293</u>
RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES			
		2014	2013
		£	£
Operating profit		468,849	210,332
Depreciation		54,304	61,739
Loss/(profit) on disposal of fixed assets		20,372	(368)
Decrease/(increase) in stocks		37,997	(129,008)
Increase in debtors		(237,581)	(102,289)
Increase in creditors		563,384	321,564
Net cash inflow from operating activities		<u>907,325</u>	<u>361,970</u>

The notes on pages 9 to 15 form part of these financial statements

CCL Computers Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2014

1 ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

GOING CONCERN

The financial statements have been prepared on a going concern basis. Having carried out a detailed review of the company's resources and the challenges presented by the current economic climate, the directors are satisfied that the company has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the accounts.

TURNOVER

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services in the ordinary nature of the business. Turnover is shown net of Value Added Tax.

FIXED ASSETS

All fixed assets are initially recorded at cost.

DEPRECIATION

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

Fixtures & Fittings	-	6.67% & 20% reducing balance
Motor Vehicles	-	25% straight line
Equipment	-	25% reducing balance

STOCKS

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

WORK IN PROGRESS

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

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.

CCL Computers Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

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 instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

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:

	2014	2013
	£	£
United Kingdom	22,411,484	17,370,739
Overseas	391,788	254,391
	<u>22,803,272</u>	<u>17,625,130</u>

3 OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2014	2013
	£	£
Depreciation of owned fixed assets	54,304	61,739
Loss/(profit) on disposal of fixed assets	20,372	(368)
Auditor's remuneration for statutory audit	8,000	8,000
Operating lease costs:		
- Other	99,990	99,990
	<u>99,990</u>	<u>99,990</u>

CCL Computers Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2014

4 PARTICULARS OF EMPLOYEES

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

	2014	2013
	No	No
Technical staff	11	12
Warehouse staff	8	7
Administrative and sales staff	30	28
Management	3	3
	<u>52</u>	<u>50</u>

The aggregate payroll costs of the above were:

	2014	2013
	£	£
Wages and salaries	820,560	752,088
Social security costs	57,280	55,606
	<u>877,840</u>	<u>807,694</u>

5 DIRECTORS' REMUNERATION

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

	2014	2013
	£	£
Remuneration receivable	<u>99,000</u>	<u>96,000</u>

6 INTEREST PAYABLE AND SIMILAR CHARGES

	2014	2013
	£	£
On other loans	<u>3,152</u>	<u>1,913</u>

7 TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2014	2013
	£	£
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 22.16% (2013 – 23.5%)	<u>112,971</u>	<u>50,156</u>
Total current tax	112,971	50,156
Deferred tax:		
Origination and reversal of timing differences	<u>(8,825)</u>	<u>1,437</u>
Tax on profit on ordinary activities	<u>104,146</u>	<u>51,593</u>

CCL Computers Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2014

7 TAXATION ON ORDINARY ACTIVITIES *(continued)*

(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 22.16% (2013 – 23.5%), as explained below

	2014	2013
	£	£
Profit on ordinary activities before taxation	<u>469,449</u>	<u>210,633</u>
Profit on ordinary activities by the standard rate of tax	104,038	49,499
Effects of:		
Expenses not deductible for tax purposes	1,524	2,136
Capital allowances in excess of depreciation	7,409	1,416
Utilisation of tax losses	-	(2,492)
Sundry tax adjusting items	-	(403)
Total current tax (note 7(a))	<u>112,971</u>	<u>50,156</u>

8 DIVIDENDS

Equity dividends

	2014	2013
	£	£
Dividends on equity shares £nil (2013: £66.67)	<u>-</u>	<u>50,000</u>

Dividends amounting to £nil (2013 - £50,000) were payable to directors.

9 TANGIBLE FIXED ASSETS

	Fixtures & Fittings £	Motor Vehicles £	Equipment £	Total £
Cost				
At 1 September 2013	408,887	43,490	950,960	1,403,337
Additions	-	-	22,396	22,396
Disposals	(27,435)	-	(234,013)	(261,448)
At 31 August 2014	<u>381,452</u>	<u>43,490</u>	<u>739,343</u>	<u>1,164,285</u>
Depreciation				
At 1 September 2013	224,465	43,488	807,502	1,075,455
Charge for the year	12,841	-	41,463	54,304
Released on disposal	(19,047)	-	(222,029)	(241,076)
At 31 August 2014	<u>218,259</u>	<u>43,488</u>	<u>626,936</u>	<u>888,683</u>
Net book value				
At 31 August 2014	<u>163,193</u>	<u>2</u>	<u>112,407</u>	<u>275,602</u>
At 31 August 2013	<u>184,422</u>	<u>2</u>	<u>143,458</u>	<u>327,882</u>

CCL Computers Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2014

10 STOCKS

	2014	2013
	£	£
Work in progress	11,519	15,532
Goods for resale	823,498	857,482
	<u>835,017</u>	<u>873,014</u>

11 DEBTORS

	2014	2013
	£	£
Trade debtors	865,634	710,928
Other debtors	345,356	306,947
Prepayments and accrued income	85,348	40,882
	<u>1,296,338</u>	<u>1,058,757</u>

12 CREDITORS: Amounts falling due within one year

	2014	2013
	£	£
Trade creditors	1,809,539	1,359,964
Corporation tax	112,971	50,156
PAYE and social security	14,732	12,476
VAT	146,949	94,813
Other creditors	79,814	28,584
Directors current accounts	32,376	63,291
Accruals and deferred income	84,440	45,338
	<u>2,280,821</u>	<u>1,654,622</u>

13 DEFERRED TAXATION

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

	2014
	£
Provision brought forward	44,924
Profit and loss account movement arising during the year	(8,825)
Provision carried forward	<u>36,099</u>

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

	2014	2013
	£	£
Excess of taxation allowances over depreciation on fixed assets	36,099	44,924
	<u>36,099</u>	<u>44,924</u>

CCL Computers Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2014

14 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2014 the company had annual commitments under non-cancellable operating leases as set out below.

	Land and buildings	
	2014	2013
	£	£
Operating leases which expire:		
Within 2 to 5 years	<u>99,990</u>	<u>99,990</u>

15 RELATED PARTY TRANSACTIONS

The company was under the control of A C Wood throughout the current and previous year by virtue of his majority shareholding.

As at 31 August 2014 the company owed A C Wood £32,376 (2013 - £63,291). Interest of £3,152 (2013 - £1,955) was accrued on this balance during the year.

During the year the company was related to A C Wood (Speciality Fibres) Limited and Somerwood Developments Limited by virtue of A C Wood being a director and shareholder in each company.

During the year the company paid invoices on behalf of A C Wood (Speciality Fibres) Limited amounting to £47,156 (2013 - £70,989), advanced funds totalling £15,000 (2013 - £nil) and was repaid £63,045 (2013 - £70,100).

During the year the company advanced funds to Somerwood Developments Limited of £513 (2013 - £4,013) in total.

At the year end the company had outstanding balances with related companies as follows:

Debtors	2014	2013
	£	£
Somerwood Developments Limited	<u>301,741</u>	<u>301,228</u>
AC Wood (Speciality Fibres) Limited	<u>-</u>	<u>889</u>

A C Wood (Speciality Fibres) Limited Directors Pension Scheme owns the property occupied by the company and during the year rent amounting to £99,990 (2013 - £99,990) was paid by the company.

16 SHARE CAPITAL

	2014	2013
	£	£
Allotted, called up and fully paid:		
750 Ordinary shares of £1 each	<u>750</u>	<u>750</u>

CCL Computers Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2014

17 RESERVES

	Capital redemption reserve £	Profit and loss account £
Balance brought forward	250	1,720,703
Profit for the year	—	365,303
Balance carried forward	<u>250</u>	<u>2,086,006</u>

18 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Profit for the financial year	365,303	159,040
Equity dividends	—	(50,000)
Net addition to shareholders' funds	<u>365,303</u>	<u>109,040</u>
Opening shareholders' funds	1,721,703	1,612,663
Closing shareholders' funds	<u>2,087,006</u>	<u>1,721,703</u>

19 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2014 £	2013 £
Increase in cash in the period	835,373	281,293
MOVEMENT IN NET FUNDS IN THE PERIOD	<u>835,373</u>	<u>281,293</u>
Net funds at the beginning of the year	1,161,596	880,303
Net funds at the end of the year	<u>1,996,969</u>	<u>1,161,596</u>

20 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Sep 2013 £	Cash flows £	At 31 Aug 2014 £
Cash in hand and at bank	<u>1,161,596</u>	<u>835,373</u>	<u>1,996,969</u>
Total	<u>1,161,596</u>	<u>835,373</u>	<u>1,996,969</u>