

Registered number  
02326213

Astute Electronics Limited

Report and Accounts

31 December 2012

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**Astute Electronics Limited**  
**Report and accounts**  
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**Astute Electronics Limited**  
**Company Information**

**Directors**

G I Hill  
I Fantham

**Secretary**

I Fantham

**Auditors**

MHA MacIntyre Hudson  
31 Castle Street  
High Wycombe  
Bucks  
HP13 6RU

**Bankers**

National Westminster Bank PLC  
43 High Street  
Hoddesdon  
Herts  
EN11 8HE

**Registered office**

Church House  
Church Street  
Ware  
Herts  
SG12 9EN

**Registered number**

02326213

**Astute Electronics Limited****Registered number**

02326213

**Directors' Report**

The directors present their report and accounts for the year ended 31 December 2012

**Principal activities**

The groups principal activity during the year continued to be the distribution of electronic components

**Review of the business**

The company and group maintained sales levels in 2012 with a group turnover of £34 million, this despite very difficult trading conditions. The groups gross margins were reduced to 22% from 25% in 2011, and net profit was similarly reduced to £517,849 from £907,240 in 2011.

The group's USA company continues to perform well in what is a very difficult market. The development of the US office continues and the directors are confident that this development will continue in line with expectations. During the year the company consolidated its position in terms of market share. The directors see future increased profitability stemming from developments in progress including taking on further premium franchise, and a number of total solution agreements with customers. The directors expect these aspects of their business to enhance yet further growth in future years.

**Key Risks and Uncertainties**

Similar to other businesses in the same sector there are many risks and uncertainties to be considered and addressed. The directors consider that the main risks to the business are the general market economics currently prevailing, and the business's reliance on customers that are predominantly in the Military sector. The company deals with the market risk by careful credit management, and regular reviews of the customer base. The reliance on customers in the Military sector is dealt with by the company by advocating a policy of active diversification into other sectors within the electronics industry. Astute Electronics Limited continue to look at new markets within the UK and abroad.

**Dividends**

No dividends are proposed for the year.

**Directors**

The following persons served as directors during the year.

G. I. Hill  
I. Fantham

**Disclosure of information to auditors**

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware, and
- he 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 auditor is aware of that information.

This report was approved by the board on 25th September 2013 and signed on its behalf



G. I. Hill  
Director

## **Astute Electronics Limited**

### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts 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 accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group, and of the profit or loss of the company and the group, for that period. In preparing these accounts, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts,
- prepare the accounts 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 and group transactions and disclose with reasonable accuracy at any time the financial position of the company and the group, and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Donations**

During the year the company made charitable donations of £7500 (2011 - Nil)

**Astute Electronics Limited**  
**Independent auditors' report**  
**to the shareholders of Astute Electronics Limited**

We have audited the accounts of Astute Electronics Limited for the year ended 31 December 2012 which comprise the Group Profit and Loss Account, the Group Balance Sheet, and Company Balance Sheet, the Group Cash Flow Statement, the Group Statement of Total Recognised Gains and Losses 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 auditors' 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 auditors**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts 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 accounts**

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 group's and the parent 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 the accounts**

In our opinion the accounts

- give a true and fair view of the state of the group and parent company's affairs as at 31 December 2012 and of the groups 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 accounts are prepared is consistent with the accounts.

**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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company accounts 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.

*MHA MacIntyre Hudson*

Katharine Arnott ACA  
(Senior Statutory Auditor)  
for and on behalf of  
MHA MacIntyre Hudson  
Chartered Accountants and Statutory Auditors

31 Castle Street  
High Wycombe  
Bucks  
HP13 6RU

*27 September 2013*

**Astute Electronics Limited**  
**Group Profit and Loss Account**  
**for the year ended 31 December 2012**

	Notes	Group 2012 £	Group 2011 £
<b>Turnover</b>	2	34,072,999	34,130,041
Cost of sales		(26,435,687)	(25,625,480)
<b>Gross profit</b>		<u>7,637,312</u>	<u>8,504,561</u>
Administrative expenses		(6,955,753)	(7,449,955)
<b>Operating profit</b>	3	<u>681,559</u>	<u>1,054,606</u>
Interest receivable		127	47
Interest payable	6	(163,837)	(147,413)
<b>Profit on ordinary activities before taxation</b>		<u>517,849</u>	<u>907,240</u>
Tax on profit on ordinary activities	7	(154,097)	(266,836)
<b>Profit for the financial year</b>		<u><u>£363,752</u></u>	<u><u>£640,404</u></u>

**Continuing operations**

None of the company's activities were acquired or discontinued during the above two financial years

The notes on pages 10 to 18 form part of these financial statements

**Astute Electronics Limited**  
**Statement of total recognised gains and losses**  
**for the year ended 31 December 2012**

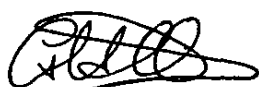
	Notes	Group 2012 £	Group 2011 £
Profit for the financial year		363,752	640,404
Unrealised deficit on revaluation of properties	17	-	(185,098)
Exchange on Consolidation		112,271	35,303
Total recognised gains and losses related to the year		<u>£476,023</u>	<u>£490,609</u>
Prior year adjustments	19	-	(78,894)
Total recognised gains and losses since last accounts		<u><u>£476,023</u></u>	<u><u>£411,715</u></u>

The notes on pages 10 to 18 form part of these financial statements



**Astute Electronics Limited**  
**Group Balance Sheet**  
**as at 31 December 2012**

	Notes	Group 2012 £	Group 2011 £
<b>Fixed assets</b>			
Tangible assets	8	<u>1,473,206</u> 1,473,206	<u>1,468,165</u> 1,468,165
<b>Current assets</b>			
Stocks	10	5,415,199	6,475,153
Debtors	11	7,506,937	7,410,212
Cash at bank and in hand		<u>161,642</u>	<u>345,331</u>
		13,083,778	14,230,696
<b>Creditors amounts falling due within one year</b>	12	<u>(10,365,787)</u>	<u>(11,737,175)</u>
<b>Net current assets</b>		2,717,991	2,493,521
<b>Total assets less current liabilities</b>		<u>4,191,197</u>	<u>3,961,686</u>
<b>Creditors amounts falling due after more than one year</b>	13	(638,989)	(885,501)
<b>Net assets</b>		<u><u>£3,552,208</u></u>	<u><u>£3,076,185</u></u>
<b>Capital and reserves</b>			
Called up share capital	16	6,000	6,000
Capital redemption reserve	18	4,000	4,000
Profit and loss account	19	3,542,208	3,066,185
<b>Shareholders' funds</b>	20	<u><u>£3,552,208</u></u>	<u><u>£3,076,185</u></u>




G I Hill  
Director

Approved by the board and authorised for issue on 25th September 2013

The notes on pages 10 to 18 form part of these financial statements

**Astute Electronics Limited**  
**Company Balance Sheet**  
**as at 31 December 2012**

	Notes	Company 2012 £	Company 2011 £
<b>Fixed assets</b>			
Tangible assets	8	1,434,195	1,425,838
Investments	9	<u>113,542</u>	<u>113,542</u>
		1,547,737	1,539,380
<b>Current assets</b>			
Stocks	10	5,313,116	6,092,971
Debtors	11	8,143,035	8,174,401
Cash at bank and in hand		<u>132,696</u>	<u>249,493</u>
		13,588,847	14,516,865
<b>Creditors: amounts falling due within one year</b>	12	(11,108,401)	(12,157,983)
<b>Net current assets</b>		<u>2,480,446</u>	<u>2,358,882</u>
<b>Total assets less current liabilities</b>		<u>4,028,183</u>	<u>3,898,262</u>
<b>Creditors: amounts falling due after more than one year</b>	13	(638,989)	(885,501)
<b>Net assets</b>		<u><u>£3,389,194</u></u>	<u><u>£3,012,761</u></u>
<b>Capital and reserves</b>			
Called up share capital	16	6,000	6,000
Capital redemption reserve	18	4,000	4,000
Profit and loss account	19	3,379,194	3,002,761
<b>Shareholders' funds</b>	20	<u><u>£3,389,194</u></u>	<u><u>£3,012,761</u></u>



G I Hill  
Director

Approved by the board and authorised for issue on 25th September 2013

The notes on pages 10 to 18 form part of these financial statements

**Astute Electronics Limited**  
**Cash Flow Statement**  
**for the year ended 31 December 2012**

	Notes	Group 2012 £	Group 2011 £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
Operating profit		681,559	1,054,606
Depreciation and amortisation		109,294	100,390
Decrease/(increase) in stocks		1,059,954	(3,110,715)
(Increase) in debtors		(96,725)	(875,757)
(Decrease)/increase in creditors		(1,491,167)	1,442,201
<b>Net cash inflow/(outflow) from operating activities</b>		<u><u>£262,915</u></u>	<u><u>(£1,389,275)</u></u>
<b>CASH FLOW STATEMENT</b>			
<b>Net cash inflow/(outflow) from operating activities</b>		262,915	(1,389,275)
<b>Returns on investments and servicing of finance</b>	21	(163,710)	(147,366)
<b>Taxation</b>		(189,965)	(150,000)
<b>Capital expenditure</b>	21	<u>(114,335)</u> <u>(205,095)</u>	<u>(85,452)</u> <u>(1,772,093)</u>
<b>Financing</b>	21	(193,662)	(423,105)
<b>Exchange difference on Consolidation</b>		<u>112,271</u>	<u>35,303</u>
<b>Decrease in cash</b>		<u><u>(£286,486)</u></u>	<u><u>(£2,159,895)</u></u>
<b>Reconciliation of net cash flow to movement in net debt</b>			
Decrease in cash in the period		(286,486)	(2,159,895)
Decrease in debt and lease financing		193,662	423,105
<b>Change in net debt</b>	22	<u>(92,824)</u>	<u>(1,736,790)</u>
<b>Net debt at 1 January</b>		<u>(5,215,962)</u>	<u>(3,479,172)</u>
<b>Net debt at 31 December</b>		<u><u>(£5,308,786)</u></u>	<u><u>(£5,215,962)</u></u>

The notes on pages 10 to 18 form part of these financial statements

**Astute Electronics Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2012**

**1 Accounting policies**

***Basis of preparation***

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards

***Consolidation***

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisitions method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

***Turnover***

Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

***Depreciation***

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows. Freehold land is deemed to comprise two-thirds of the original cost price of freehold land and buildings where separate land and building costs are not available.

Equipment	20% on cost
Motor Vehicles	25% on the reducing balance
Freehold buildings	2% on cost
Leasehold premises	10% on cost

***Stocks***

Stock is valued at the lower of cost and net realisable value, using the FIFO method.

***Foreign currencies***

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account. Transactions of overseas subsidiaries in foreign currencies are translated into sterling at an average rate for the year. Assets and liabilities are translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange differences arising from the retranslation of balances brought forward are adjusted to profit and loss accounts reserves.

***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 asset 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.

***Operating Leases***

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

***Pensions***

The group 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.

***Financial Instruments***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

***Investments***

The investments in subsidiary companies are shown at cost.

**Astute Electronics Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2012**

	Group 2012 £	Group 2011 £
<b>2 Analysis of turnover</b>		
By activity		
Electronic Components	<u>£34,072,999</u>	<u>£34,130,041</u>
The directors consider that geographical analysis would be prejudicial to the business, and therefore one has not been included in these financial statements. The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account.		
<b>3 Operating profit</b>	Group 2012 £	Group 2011 £
This is stated after charging		
Depreciation of owned fixed assets	59,377	72,981
Depreciation of assets held under finance leases and hire purchase contracts	49,917	27,409
loss on disposal of fixed assets	13,221	4,684
Operating lease rentals - plant and machinery	49,524	52,109
Operating lease rentals - land buildings	355,339	332,933
Auditors' remuneration for audit services	5,500	8,500
Foreign Exchange differences	<u>(451,721)</u>	<u>(389,461)</u>
The profits dealt within the financial statements of the parent company were	<u>£376,434</u>	<u>£618,569</u>
<b>4 Directors' emoluments</b>	Group 2012 £	Group 2011 £
Emoluments	334,843	363,819
Company contributions to money purchase pension schemes	<u>29,543</u>	<u>27,656</u>
	£364,386	£391,475
Highest paid director		
Emoluments	225,030	251,680
Company contributions to money purchase pension schemes	<u>10,326</u>	<u>10,326</u>
	<u>£235,356</u>	<u>£262,006</u>
<b>Number of directors in company pension schemes</b>	Group 2012 Number	Group 2011 Number
Money purchase schemes	<u>2</u>	<u>2</u>
<b>5 Staff costs</b>	Group 2012 £	Group 2011 £
Wages and salaries	3,513,269	3,756,346
Social security costs	337,187	380,725
Other pension costs	<u>29,543</u>	<u>27,656</u>
	<u>£3,879,999</u>	<u>£4,164,727</u>
<b>Average number of employees during the year</b>	Number	Number
Administration	51	51
Sales	<u>56</u>	<u>56</u>
	<u>107</u>	<u>107</u>

**Astute Electronics Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2012**

	Group 2012 £	Group 2011 £
<b>6 Interest payable</b>		
Bank loans and overdrafts	155,282	136,811
Finance charges payable under finance leases and hire purchase contracts	8,555	10,602
	<u>£163,837</u>	<u>£147,413</u>
<b>7 Taxation</b>		
<b>Analysis of charge in period</b>		
Current tax		
UK corporation tax on profits of the period	154,097	268,376
Adjustments in respect of previous periods	-	(1,540)
	<u>154,097</u>	<u>266,836</u>
Tax on profit on ordinary activities	<u>£154,097</u>	<u>£266,836</u>

**Factors affecting tax charge for period**

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows

	Group 2012 £	Group 2011 £
Profit on ordinary activities before tax	<u>£517,849</u>	<u>£907,240</u>
Standard rate of corporation tax in the UK	24.5%	26.5%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	126,873	240,419
Effects of		
Expenses not deductible for tax purposes	27,224	27,957
Current tax charge for period	<u>£154,097</u>	<u>£268,376</u>

**Astute Electronics Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2012**

**8 Tangible fixed assets - Group**

	Land and buildings £	Motor Vehicles £	Office Equipment £	Group Total £
<b>Cost</b>				
At 1 January 2012	1,323,611	250,860	732,433	2,306,904
Revaluation On Consolidation	-	-	(3,025)	(3,025)
Additions	-	-	155,858	155,858
Disposals	-	(174,294)	(108,582)	(282,876)
At 31 December 2012	<u>1,323,611</u>	<u>76,566</u>	<u>776,684</u>	<u>2,176,861</u>
<b>Depreciation</b>				
At 1 January 2012	94,627	182,069	562,043	838,739
Revaluation On Consolidation	-	-	(1,523)	(1,523)
Charge for the year	9,637	7,192	92,465	109,294
On disposals	-	(134,273)	(108,582)	(242,855)
At 31 December 2012	<u>104,264</u>	<u>54,988</u>	<u>544,403</u>	<u>703,655</u>
<b>Net book value</b>				
At 31 December 2012	<u>£1,219,347</u>	<u>£21,578</u>	<u>£232,281</u>	<u>£1,473,206</u>
At 31 December 2011	<u>£1,228,984</u>	<u>£68,791</u>	<u>£170,390</u>	<u>£1,468,165</u>

**8 Tangible fixed assets - Company**

	Land and buildings £	Motor Vehicles £	Office Equipment £	Company Total £
<b>Cost</b>				
At 1 January 2012	1,323,611	250,860	646,776	2,221,247
Additions	-	-	137,770	137,770
Disposals	-	(174,294)	(108,582)	(282,876)
At 31 December 2012	<u>1,323,611</u>	<u>76,566</u>	<u>675,964</u>	<u>2,076,141</u>
<b>Depreciation</b>				
At 1 January 2012	94,627	182,069	518,713	795,409
Charge for the year	9,637	7,192	72,563	89,392
On disposals	-	(134,273)	(108,582)	(242,855)
At 31 December 2012	<u>104,264</u>	<u>54,988</u>	<u>482,694</u>	<u>641,946</u>
<b>Net book value</b>				
At 31 December 2012	<u>£1,219,347</u>	<u>£21,578</u>	<u>£193,270</u>	<u>£1,434,195</u>
At 31 December 2011	<u>£1,228,984</u>	<u>£68,791</u>	<u>£128,063</u>	<u>£1,425,838</u>

	2012 £	2011 £
Net book value of fixed assets included above held under finance leases and hire purchase contracts	<u>£177,304</u>	<u>£100,048</u>
Depreciation for the year on fixed assets above held under finance leases and hire purchase contracts	<u>£49,917</u>	<u>£27,409</u>

**Astute Electronics Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2012**

**9 Investments Group and Company**

	Investments in subsidiary undertakings £
<b>Cost</b>	
At 1 January 2012	113,542
At 31 December 2012	<u>113,542</u>

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

Company	Shares held Class	Voting Rights %	Nature of Business	Incorporated in
Astute Electronics Inc	Ordinary	100	Distribution of electronic components	USA
Astute Electronics Trading (Shanghai) Co Ltd	Ordinary	100	Distribution of electronic components	China

	Company 2012 £	Group 2012 £	Company 2011 £	Group 2011 £
<b>10 Stocks</b>				
Finished goods and goods for resale	<u>£5,313,116</u>	<u>£5,415,199</u>	<u>£6,092,971</u>	<u>£6,475,153</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material

	Company 2012 £	Group 2012 £	Company 2011 £	Group 2011 £
<b>11 Debtors</b>				
Trade debtors	7,094,782	7,309,757	7,002,418	7,185,794
Amounts owed by group undertakings and undertakings in which the company has a participating interest	868,815	-	968,068	-
Other debtors	10,380	14,729	32,322	36,835
Prepayments and accrued income	169,058	182,451	171,593	187,583
	<u>£8,143,035</u>	<u>£7,506,937</u>	<u>£8,174,401</u>	<u>£7,410,212</u>

	Company 2012 £	Group 2012 £	Company 2011 £	Group 2011 £
<b>12 Creditors amounts falling due within one year</b>				
Bank loans and overdrafts	4,744,572	4,744,572	4,656,656	4,656,656
Obligations under finance lease and hire purchase contracts	86,868	86,868	19,136	19,136
Trade creditors	4,479,415	4,235,786	5,070,667	5,059,904
Amounts owed to group undertakings and undertakings in which the company has a participating interest	138,449	-	114,939	-
Corporation tax	322,473	322,473	358,341	358,341
Other taxes and social security costs	178,933	180,437	420,831	422,166
Other creditors and accruals	1,157,691	795,651	1,517,413	1,220,972
	<u>£11,108,401</u>	<u>£10,365,787</u>	<u>£12,157,983</u>	<u>£11,737,175</u>



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**Notes to the Accounts**  
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		<b>Company</b>	<b>Group</b>	<b>Company</b>	<b>Group</b>
		<b>2012</b>	<b>2012</b>	<b>2011</b>	<b>2011</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>13 Creditors amounts falling due after one year</b>					
Bank loans		543,236	543,236	866,094	866,094
Obligations under finance lease and hire purchase contracts		95,753	95,753	19,407	19,407
		<u>£638,989</u>	<u>£638,989</u>	<u>£885,501</u>	<u>£885,501</u>
<b>14 Loans</b>					
Analysis of maturity of debt					
Bank Overdrafts		4,421,739	4,421,739	4,318,940	4,318,940
Bank Loans		322,833	322,833	337,716	337,716
Total within one year or on demand		<u>4,744,572</u>	<u>4,744,572</u>	<u>4,656,656</u>	<u>4,656,656</u>
Between one and two years		325,445	325,445	322,803	322,803
Between two and five years		217,791	217,791	543,291	543,291
		<u>£5,287,808</u>	<u>£5,287,808</u>	<u>£5,522,750</u>	<u>£5,522,750</u>
The bank loans are secured by a fixed and floating charge over the assets of the company. The bank loans in certain circumstances, may be repayable on demand. The finance leases and hire purchase contracts are secured on the assets concerned.					
<b>15 Obligations under finance leases and hire purchase contracts</b>					
Amounts payable					
Within one year		86,868	86,868	19,136	19,136
Within two to five years		95,753	95,753	19,407	19,407
		<u>£182,621</u>	<u>£182,621</u>	<u>£38,543</u>	<u>£38,543</u>
<b>16 Share capital</b>	<b>Nominal value</b>	<b>2012</b>	<b>2012</b>		<b>2011</b>
	<b>Number</b>		<b>£</b>		<b>£</b>
Allotted, called up and fully paid Ordinary shares	£1 each	6,000	<u>£6,000</u>		<u>£6,000</u>
<b>17 Revaluation reserve</b>					
At 1 January 2012		-	-	185,098	185,098
Arising on revaluation during the year		-	-	(185,098)	(185,098)
At 31 December 2012		<u>-</u>	<u>-</u>	<u>£0</u>	<u>£0</u>
<b>18 Capital redemption reserve</b>					
At 1 January 2012		4,000	4,000	4,000	4,000
At 31 December 2012		<u>£4,000</u>	<u>£4,000</u>	<u>£4,000</u>	<u>£4,000</u>

**Astute Electronics Limited**  
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<b>19 Profit and loss account</b>	<b>Company 2012 £</b>	<b>Group 2012 £</b>	<b>Company 2011 £</b>	<b>Group 2011 £</b>
At 1 January 2012	3,002,761	3,066,185	2,463,087	2,469,372
Prior year adjustments	-	-	(78,894)	(78,894)
At 1 January 2012 as restated	3,002,761	3,066,185	2,384,193	2,390,478
Profit for the financial year	376,433	363,752	618,568	640,404
Exchange on Consolidation	-	112,271	-	35,303
At 31 December 2012	<u>£3,379,194</u>	<u>£3,542,208</u>	<u>£3,002,761</u>	<u>£3,066,185</u>

The prior year adjustment comprises depreciation of freehold buildings

<b>20 Reconciliation of movement in shareholders' funds</b>	<b>Company 2012 £</b>	<b>Group 2012 £</b>	<b>Company 2011 £</b>	<b>Group 2011 £</b>
At 1 January	3,012,761	3,076,185	2,658,185	2,664,470
Prior Year Adjustment	-	-	(78,894)	(78,894)
At 1 January 2012 as restated	3,012,761	3,076,185	2,579,291	2,585,576
Profit for the financial year	376,433	363,752	618,568	640,404
Exchange on Consolidation	-	112,271	-	35,303
Other recognised gains and losses	-	-	(185,098)	(185,098)
At 31 December	<u>£3,389,194</u>	<u>£3,552,208</u>	<u>£3,012,761</u>	<u>£3,076,185</u>

<b>21 Gross cash flows</b>	<b>Group 2012 £</b>	<b>Group 2011 £</b>
<b>Returns on investments and servicing of finance</b>		
Interest received	127	47
Interest paid	(155,283)	(136,811)
Interest element of finance lease rental payments	(8,554)	(10,602)
	<u>(£163,710)</u>	<u>(£147,366)</u>
<b>Capital expenditure</b>		
Payments to acquire tangible fixed assets	(155,858)	(99,825)
Receipts from sales of tangible fixed assets	41,523	14,373
	<u>(£114,335)</u>	<u>(£85,452)</u>
<b>Financing</b>		
Loan repayments	(337,740)	(351,702)
Capital element of finance lease rental payments	144,078	(71,403)
	<u>(£193,662)</u>	<u>(£423,105)</u>

**Astute Electronics Limited**  
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**22 Analysis of changes in net debt**

	At 1 Jan 2012	Cash flows	At 31 Dec 2012
	£	£	£
Cash at bank and in hand	345,331	(183,689)	161,642
Overdrafts	(4,318,942)	(102,797)	(4,421,739)
		<u>(286,486)</u>	
Debt due within 1 year	(337,715)	14,882	(322,833)
Debt due after 1 year	(866,094)	322,858	(543,236)
Finance leases	(38,542)	(144,078)	(182,620)
		<u>193,662</u>	
<b>Total</b>	<u><b>(£5,215,962)</b></u>	<u><b>(£92,824)</b></u>	<u><b>(£5,308,786)</b></u>

**23 Capital commitments**

	2012	2011
	£	£
Amounts contracted for but not provided in the accounts	<u>£0</u>	<u>£78,390</u>

**24 Other financial commitments**

At the year end the company had annual commitments under non-cancellable operating leases as set out below

	Land and buildings 2012 £	Land and buildings 2011 £	Other 2012 £	Other 2011 £
Operating leases which expire				
within one year	123,000	-	12,847	3,709
within two to five years	154,000	277,000	73,416	66,009
	<u>£277,000</u>	<u>£277,000</u>	<u>£86,263</u>	<u>£69,718</u>

**Astute Electronics Limited**  
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**25 Related party transactions**

**Mr G Hill**

Director

During the year the company purchased services from Prime Electronics (Cheshunt) Ltd a company in which Mr G Hill has a material interest. All transactions were carried out on a normal commercial basis.

	2012	2011
	£	£
Amount purchased during the year	<u>£447,500</u>	<u>£702,500</u>
Amounts owing at year end	<u>£750,000</u>	<u>£755,847</u>

In accordance with the exemption under Financial Reporting Standard No 8, the company does not disclose transactions with wholly owned companies in the Astute Electronics Group.

**Mr G Hill**

Director

During the year the company sold an asset to Mr G Hill for £21,000, the transaction was at market value and under normal commercial terms. No amounts are due at year end.

**26 Ultimate controlling party**

The company controlling party is Mr G Hill by virtue of his ownership of 85% (2011 - 85%) of the issued share capital in the company.