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Registered number  
02326213

Astute Electronics Limited

Report and Accounts

31 December 2013

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COMPANIES HOUSE

**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  
Abbey Place  
24 - 28 Easton Street  
High Wycombe  
Bucks  
HP11 1NT

**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:**

### **Strategic Report**

The directors present their strategic report for the year ended 31 December 2013.

#### **Review of the business**

The company and group increased sales levels in 2013 with a group turnover of £37 million, this despite continuing difficult trading conditions. The groups gross margins were reduced to 20% from 22% in 2012, and net profit was similarly reduced to £441,660 from £517,849 in 2012.

The group's USA company continues to perform satisfactorily in what continues to be 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 profitability stemming from various developments in progress including the continued involvement with premium franchises, 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.

This report was approved by the board on 25<sup>th</sup> SEPTEMBER 2014 and signed on its behalf.

  
G. I Hill

Director

**Astute Electronics Limited**

**Registered number:** 02326213

**Directors' Report**

The directors present their report and accounts for the year ended 31 December 2013.

**Principal activities**

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

**Dividends**

No dividends are proposed for the year.

**Directors**

The following persons served as directors during the year:

G. I Hill

I. Fantham

**Political and charitable donations**

During the year the company made charitable donations of £8,589 (2012 - £7500)

**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 25<sup>th</sup> SEPTEMBER 2014 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.

**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 2013 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 Strategic Report and the Directors' Report to identify material inconsistencies with the audited financial statements, and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

**Opinion on 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 2013 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 Strategic Report and 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, and the group, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company and group 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 FCA  
(Senior Statutory Auditor)  
for and on behalf of  
MHA MacIntyre Hudson  
Chartered Accountants and Statutory Auditors

Abbey Place  
24 - 28 Easton Street  
High Wycombe  
Bucks  
HP11 1NT

*29 September 2014*

**Astute Electronics Limited**  
**Group Profit and Loss Account**  
**for the year ended 31 December 2013**

	Notes	Group 2013 £	Group 2012 £
<b>Turnover</b>	2	37,973,454	34,072,999
Cost of sales		(30,214,361)	(26,435,687)
<b>Gross profit</b>		<u>7,759,093</u>	<u>7,637,312</u>
Administrative expenses		(7,362,241)	(6,955,753)
Other operating income		242,057	-
<b>Operating profit</b>	3	<u>638,909</u>	<u>681,559</u>
Interest receivable		112	127
Interest payable	6	(197,361)	(163,837)
<b>Profit on ordinary activities before taxation</b>		<u>441,660</u>	<u>517,849</u>
Tax on profit on ordinary activities	7	(142,243)	(154,097)
<b>Profit for the financial year</b>		<u><u>£299,417</u></u>	<u><u>£363,752</u></u>

**Continuing operations**

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

The notes on pages 11 to 19 form part of these financial statements.



**Astute Electronics Limited**  
**Statement of total recognised gains and losses**  
**for the year ended 31 December 2013**

	Notes	Group 2013 £	Group 2012 £
Profit for the financial year		299,417	363,752
Exchange on Consolidation		(171,295)	112,271
Total recognised gains and losses related to the year		<u>128,122</u>	<u>476,023</u>
Prior year adjustments		-	-
Total recognised gains and losses since last accounts		<u><u>£128,122</u></u>	<u><u>£476,023</u></u>

The notes on pages 11 to 19 form part of these financial statements.

**Astute Electronics Limited**  
**Group Balance Sheet**  
**as at 31 December 2013**

	Notes	Group 2013 £	Group 2012 £
<b>Fixed assets</b>			
Tangible assets	8	<u>1,395,504</u>	<u>1,473,206</u>
		1,395,504	1,473,206
<b>Current assets</b>			
Stocks	10	4,439,549	5,415,199
Debtors	11	8,954,671	7,506,937
Cash at bank and in hand		<u>224,289</u>	<u>161,642</u>
		13,618,509	13,083,778
<b>Creditors: amounts falling due within one year</b>	12	<u>(11,067,984)</u>	<u>(10,365,787)</u>
<b>Net current assets</b>		2,550,525	2,717,991
<b>Total assets less current liabilities</b>		<u>3,946,029</u>	<u>4,191,197</u>
<b>Creditors: amounts falling due after more than one year</b>	13	(265,699)	(638,989)
<b>Net assets</b>		<u><u>£3,680,330</u></u>	<u><u>£3,552,208</u></u>
<b>Capital and reserves</b>			
Called up share capital	16	6,000	6,000
Capital redemption reserve	17	4,000	4,000
Profit and loss account	18	3,670,330	3,542,208
<b>Shareholders' funds</b>	19	<u><u>£3,680,330</u></u>	<u><u>£3,552,208</u></u>

G.I. Hill  
Director

Approved by the board and authorised for issue on 25<sup>th</sup> SEPTEMBER 2014

The notes on pages 11 to 19 form part of these financial statements.

**Astute Electronics Limited**  
**Company Balance Sheet**  
**as at 31 December 2013**

	Notes	Company 2013 £	Company 2012 £
<b>Fixed assets</b>			
Tangible assets	8	1,367,981	1,434,195
Investments	9	<u>113,542</u>	<u>113,542</u>
		1,481,523	1,547,737
<b>Current assets</b>			
Stocks	10	4,315,096	5,313,116
Debtors	11	9,919,088	8,143,035
Cash at bank and in hand		<u>179,253</u>	<u>132,696</u>
		14,413,437	13,588,847
<b>Creditors: amounts falling due within one year</b>	12	(11,930,030)	(11,108,401)
<b>Net current assets</b>		<u>2,483,407</u>	<u>2,480,446</u>
<b>Total assets less current liabilities</b>		<u>3,964,930</u>	<u>4,028,183</u>
<b>Creditors: amounts falling due after more than one year</b>	13	(265,699)	(638,989)
<b>Net assets</b>		<u><u>£3,699,231</u></u>	<u><u>£3,389,194</u></u>
<b>Capital and reserves</b>			
Called up share capital	16	6,000	6,000
Capital redemption reserve	17	4,000	4,000
Profit and loss account	18	3,689,231	3,379,194
<b>Shareholders' funds</b>	19	<u><u>£3,699,231</u></u>	<u><u>£3,389,194</u></u>

G.I. Hill  
Director

Approved by the board and authorised for issue on 25<sup>th</sup> SEPTEMBER 2014

The notes on pages 11 to 19 form part of these financial statements.

**Astute Electronics Limited**  
**Group Cash Flow Statement**  
**for the year ended 31 December 2013**

	Notes	Group 2013 £	Group 2012 £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
Operating profit		638,909	681,559
Depreciation and amortisation		104,707	109,294
Decrease in stocks		975,650	1,059,954
(Increase) in debtors		(1,447,734)	(96,725)
Increase/(decrease) in creditors		226,490	(1,491,167)
<b>Net cash inflow from operating activities</b>		<u><u>£498,022</u></u>	<u><u>£262,915</u></u>
<b>CASH FLOW STATEMENT</b>			
<b>Net cash inflow from operating activities</b>		498,022	262,915
<b>Returns on investments and servicing of finance</b>	20	(197,249)	(163,710)
<b>Taxation</b>		(267,738)	(189,965)
<b>Capital expenditure</b>	20	<u>(27,005)</u> 6,030	<u>(114,335)</u> (205,095)
<b>Financing</b>	20	(367,087)	(193,662)
<b>Exchange difference on Consolidation</b>		<u>(171,295)</u>	<u>112,271</u>
<b>Decrease in cash</b>		<u><u>(£532,352)</u></u>	<u><u>(£286,486)</u></u>
<b>Reconciliation of net cash flow to movement in net debt</b>			
Decrease in cash in the period		(532,352)	(286,486)
Decrease in debt and lease financing		367,087	193,662
<b>Change in net debt</b>	21	<u>(165,265)</u>	<u>(92,824)</u>
<b>Net debt at 1 January</b>		<u>(5,308,786)</u>	<u>(5,215,962)</u>
<b>Net debt at 31 December</b>		<u><u>(£5,474,051)</u></u>	<u><u>(£5,308,786)</u></u>

The notes on pages 11 to 19 form part of these financial statements.

**Astute Electronics Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2013**

**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 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 2013**

	Group 2013 £	Group 2012 £
<b>2 Analysis of turnover</b>		
By activity:		
Electronic Components	<u>£37,973,454</u>	<u>£34,072,999</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.		
	Group 2013 £	Group 2012 £
<b>3 Operating profit</b>		
This is stated after charging:		
Depreciation of owned fixed assets	49,091	59,377
Depreciation of assets held under finance leases and hire purchase contracts	55,616	49,917
loss on disposal of fixed assets	847	13,221
Operating lease rentals - plant and machinery	49,750	49,524
Operating lease rentals - land buildings	351,017	355,339
Auditors' remuneration for audit services	11,950	5,500
Foreign Exchange differences	<u>(242,057)</u>	<u>(451,721)</u>
The profits dealt within the financial statements of the parent company were	<u>£310,036</u>	<u>£376,434</u>
	Group 2013 £	Group 2012 £
<b>4 Directors' emoluments</b>		
Emoluments	339,143	334,843
Company contributions to money purchase pension schemes	<u>31,604</u>	<u>29,543</u>
	<u>£370,747</u>	<u>£364,386</u>
Highest paid director:		
Emoluments	215,754	225,030
Company contributions to money purchase pension schemes	<u>10,636</u>	<u>10,326</u>
	<u>£226,390</u>	<u>£235,356</u>
	Group 2013 Number	Group 2012 Number
<b>Number of directors in company pension schemes:</b>		
Money purchase schemes	<u>2</u>	<u>2</u>
	Group 2013 £	Group 2012 £
<b>5 Staff costs</b>		
Wages and salaries	3,984,725	3,513,269
Social security costs	411,595	337,187
Other pension costs	<u>31,604</u>	<u>29,543</u>
	<u>£4,427,924</u>	<u>£3,879,999</u>
	Number	Number
<b>Average number of employees during the year</b>		
Administration	52	51
Sales	<u>59</u>	<u>56</u>
	<u>111</u>	<u>107</u>

**Astute Electronics Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2013**

	Group 2013 £	Group 2012 £
<b>6 Interest payable</b>		
Bank loans and overdrafts	188,557	155,282
Finance charges payable under finance leases and hire purchase contracts	8,804	8,555
	<u>£197,361</u>	<u>£163,837</u>

	Group 2013 £	Group 2012 £
<b>7 Taxation</b>		
<b>Analysis of charge in period</b>		
Current tax:		
UK corporation tax on profits of the period	142,109	154,097
Adjustments in respect of previous periods	134	-
	<u>142,243</u>	<u>154,097</u>
	<u>£142,243</u>	<u>£154,097</u>
Tax on profit on ordinary activities	<u>£142,243</u>	<u>£154,097</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 2013 £	Group 2012 £
Profit on ordinary activities before tax	<u>£441,660</u>	<u>£517,849</u>
Standard rate of corporation tax in the UK	24.5%	24.5%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	108,207	126,873
Effects of:		
Expenses not deductible for tax purposes	33,902	27,224
Current tax charge for period	<u>£142,109</u>	<u>£154,097</u>

**Astute Electronics Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2013**

**8 Tangible fixed assets - Group**

	Land and buildings £	Motor vehicles £	Office equipment £	Group Total £
<b>Cost</b>				
At 1 January 2013	1,323,611	76,566	776,684	2,176,861
Revaluation On Consolidation	-	-	(2,215)	(2,215)
Additions	-	4,000	35,863	39,863
Disposals	-	(37,490)	(282,789)	(320,279)
At 31 December 2013	<u>1,323,611</u>	<u>43,076</u>	<u>527,543</u>	<u>1,894,230</u>
<b>Depreciation</b>				
At 1 January 2013	104,264	54,988	544,403	703,655
Revaluation On Consolidation	-	-	(1,304)	(1,304)
Charge for the year	9,637	3,407	91,663	104,707
On disposals	-	(25,543)	(282,789)	(308,332)
At 31 December 2013	<u>113,901</u>	<u>32,852</u>	<u>351,973</u>	<u>498,726</u>
<b>Net book value</b>				
At 31 December 2013	<u>£1,209,710</u>	<u>£10,224</u>	<u>£175,570</u>	<u>£1,395,504</u>
At 31 December 2012	<u>£1,219,347</u>	<u>£21,578</u>	<u>£232,281</u>	<u>£1,473,206</u>

**8 Tangible fixed assets - Company**

	Land and buildings £	Motor Vehicles £	Office Equipment £	Company Total £
<b>Cost</b>				
At 1 January 2013	1,323,611	76,566	675,964	2,076,141
Additions	-	4,000	34,175	38,175
Disposals	-	(37,490)	(282,789)	(320,279)
At 31 December 2013	<u>1,323,611</u>	<u>43,076</u>	<u>427,350</u>	<u>1,794,037</u>
<b>Depreciation</b>				
At 1 January 2013	104,264	54,988	482,694	641,946
Charge for the year	9,637	3,407	79,398	92,442
On disposals	-	(25,543)	(282,789)	(308,332)
At 31 December 2013	<u>113,901</u>	<u>32,852</u>	<u>279,303</u>	<u>426,056</u>
<b>Net book value</b>				
At 31 December 2013	<u>£1,209,710</u>	<u>£10,224</u>	<u>£148,047</u>	<u>£1,367,981</u>
At 31 December 2012	<u>£1,219,347</u>	<u>£21,578</u>	<u>£193,270</u>	<u>£1,434,195</u>

	2013 £	2012 £
Net book value of fixed assets included above held under finance leases and hire purchase contracts	<u>£155,863</u>	<u>£177,304</u>
Depreciation for the year on fixed assets above held under finance leases and hire purchase contracts	<u>£55,616</u>	<u>£49,917</u>



**Astute Electronics Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2013**

**9 Investments Group and Company**

	Investments in subsidiary undertakings £
<b>Cost</b>	
At 1 January 2013	113,542
At 31 December 2013	<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 2013 £	Group 2013 £	Company 2012 £	Group 2012 £
<b>10 Stocks</b>				
Finished goods and goods for resale	<u>£4,315,096</u>	<u>£4,439,549</u>	<u>£5,313,116</u>	<u>£5,415,199</u>

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

	Company 2013 £	Group 2013 £	Company 2012 £	Group 2012 £
<b>11 Debtors</b>				
Trade debtors	8,468,252	8,735,261	7,094,782	7,309,757
Amounts owed by group undertakings and undertakings in which the company has a participating interest	1,245,065	-	868,815	-
Other debtors	5,810	4,603	10,380	14,729
Prepayments and accrued income	<u>199,961</u>	<u>214,807</u>	<u>169,058</u>	<u>182,451</u>
	<u>£9,919,088</u>	<u>£8,954,671</u>	<u>£8,143,035</u>	<u>£7,506,937</u>

	Company 2013 £	Group 2013 £	Company 2012 £	Group 2012 £
<b>12 Creditors: amounts falling due within one year</b>				
Bank loans and overdrafts	5,342,195	5,342,195	4,744,572	4,744,572
Obligations under finance lease and hire purchase contracts	90,447	90,447	86,868	86,868
Trade creditors	4,285,041	4,192,394	4,479,415	4,235,786
Amounts owed to group undertakings and undertakings in which the company has a participating interest	98,655	-	138,449	-
Corporation tax	196,978	196,978	322,473	322,473
Other taxes and social security costs	517,335	520,608	178,933	180,437
Other creditors and accruals	<u>1,399,379</u>	<u>725,362</u>	<u>1,157,691</u>	<u>795,651</u>
	<u>£11,930,030</u>	<u>£11,067,984</u>	<u>£11,108,401</u>	<u>£10,365,787</u>

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	Company 2013 £	Group 2013 £	Company 2012 £	Group 2012 £
<b>13 Creditors: amounts falling due after one year</b>				
Bank loans	217,756	217,756	543,236	543,236
Obligations under finance lease and hire purchase contracts	47,943	47,943	95,753	95,753
	<u>£265,699</u>	<u>£265,699</u>	<u>£638,989</u>	<u>£638,989</u>
<b>14 Loans</b>				
Analysis of maturity of debt:				
Bank Overdrafts	5,016,738	5,016,738	4,421,739	4,421,739
Bank Loans	325,457	325,457	322,833	322,833
Total within one year or on demand	<u>5,342,195</u>	<u>5,342,195</u>	<u>4,744,572</u>	<u>4,744,572</u>
Between one and two years	161,462	161,462	325,445	325,445
Between two and five years	56,294	56,294	217,791	217,791
	<u>£5,559,951</u>	<u>£5,559,951</u>	<u>£5,287,808</u>	<u>£5,287,808</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	90,447	90,447	86,868	86,868
Within two to five years	47,943	47,943	95,753	95,753
	<u>£138,390</u>	<u>£138,390</u>	<u>£182,621</u>	<u>£182,621</u>
<b>16 Share capital</b>	<b>Nominal value</b>	<b>2013 Number</b>	<b>2013 £</b>	<b>2012 £</b>
Allotted, called up and fully paid: Ordinary shares	£1 each	6,000	<u>£6,000</u>	<u>£6,000</u>
<b>17 Capital redemption reserve</b>				
At 1 January 2013		4,000	4,000	4,000
At 31 December 2013		<u>£4,000</u>	<u>£4,000</u>	<u>£4,000</u>

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<b>18 Profit and loss account</b>	<b>Company 2013 £</b>	<b>Group 2013 £</b>	<b>Company 2012 £</b>	<b>Group 2012 £</b>
At 1 January 2013	3,379,194	3,542,208	3,002,761	3,066,185
Profit for the financial year	310,037	299,417	376,433	363,752
Exchange on Consolidation	-	(171,295)	-	112,271
At 31 December 2013	<u>£3,689,231</u>	<u>£3,670,330</u>	<u>£3,379,194</u>	<u>£3,542,208</u>

  

<b>19 Reconciliation of movement in shareholders' funds</b>	<b>Company 2013 £</b>	<b>Group 2013 £</b>	<b>Company 2012 £</b>	<b>Group 2012 £</b>
At 1 January	3,389,194	3,552,208	3,012,761	3,076,185
Profit for the financial year	310,037	299,417	376,433	363,752
Exchange on Consolidation	-	(171,295)	-	112,271
At 31 December	<u>£3,699,231</u>	<u>£3,680,330</u>	<u>£3,389,194</u>	<u>£3,552,208</u>

  

<b>20 Gross cash flows</b>	<b>Group 2013 £</b>	<b>Group 2012 £</b>
<b>Returns on investments and servicing of finance</b>		
Interest received	112	127
Interest paid	(188,557)	(155,283)
Interest element of finance lease rental payments	<u>(8,804)</u>	<u>(8,554)</u>
	<u>(£197,249)</u>	<u>(£163,710)</u>
<b>Capital expenditure</b>		
Payments to acquire tangible fixed assets	(39,863)	(155,858)
Receipts from sales of tangible fixed assets	12,858	41,523
	<u>(£27,005)</u>	<u>(£114,335)</u>
<b>Financing</b>		
Loan repayments	(322,856)	(337,740)
Capital element of finance lease rental payments	<u>(44,231)</u>	<u>144,078</u>
	<u>(£367,087)</u>	<u>(£193,662)</u>

**Astute Electronics Limited**  
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**21 Analysis of changes in net debt - Group**

	At 1 Jan 2013	Cash flows	At 31 Dec 2013
	£	£	£
Cash at bank and in hand	161,642	62,647	224,289
Overdrafts	(4,421,739)	(594,999)	(5,016,738)
		<u>(532,352)</u>	
Debt due within 1 year	(322,833)	(2,624)	(325,457)
Debt due after 1 year	(543,236)	325,480	(217,756)
Finance leases	(182,620)	44,231	(138,389)
		<u>367,087</u>	
<b>Total</b>	<u><u>(£5,308,786)</u></u>	<u><u>(£165,265)</u></u>	<u><u>(£5,474,051)</u></u>

**22 Other financial commitments**

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

	Land and buildings 2013 £	Land and buildings 2012 £	Other 2013 £	Other 2012 £
Operating leases which expire:				
within one year	154,000	123,000	20,329	12,847
within two to five years	100,000	154,000	94,182	73,416
	<u><u>£254,000</u></u>	<u><u>£277,000</u></u>	<u><u>£114,511</u></u>	<u><u>£86,263</u></u>

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**23 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.

	2013	2012
	£	£
Amount purchased during the year	<u>£362,500</u>	<u>£447,500</u>
Amounts owing at year end	<u>£486,269</u>	<u>£750,000</u>

**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.

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

**24 Ultimate controlling party**

The company's controlling party is Mr G. Hill by virtue of his ownership of 85% (2012 - 85%) of the issued share capital in the company.