

Coutts Information Services Limited

Directors' Report and Financial Statements
for the Year Ended 31 December 2014

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Coutts Information Services Limited
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Coutts Information Services Limited

Strategic Report for the year ended 31 December 2014

Principal activities

The principal activity of the company is the aggregation of books and the provision of specialist value added processing services to libraries.

Review of business and future developments

Coutts Information Services Limited is a major, global supplier of UK, North American and Northern European content, both physical and electronic, to Universities, Government bodies, public libraries and specialist libraries in over 110 countries worldwide.

On 29 May 2015 the Company and other affiliated sellers, completed the sale of substantially all of the trade, assets and liabilities of Coutts business to ProQuest LLC and affiliated purchasers.

Turnover in 2014 at £25,953,618 was 10.8% lower than in the previous year (2013: £29,091,349). The gross margin of £4,407,556 is 13.0% higher than in the prior year (2013: £3,899,307).

The company made a loss on ordinary activities before taxation of £1,405,991 compared with a profit of £153,934 in the previous year. The loss for the year was due to the exceptional write off of £1,574,272 as a result of the transfer of the business and assets of Ingram Digital Limited. Prior to this exceptional item, the company made a profit for the year of £168,281 on ordinary activity.

Key performance indicators (KPI's)

Given the straightforward nature of the business, the directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the business.

Principal risks and uncertainties

The directors do not consider there to be a material exposure to price risk, credit risk, liquidity risk or cash flow risk for which actions have not been taken. Given the size of the company, the directors have not delegated the responsibility for monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department. The company does not use derivative financial instruments to manage interest rate risk or foreign currency exchange risks and as such no hedge accounting is applied.

Financial risk management

Credit risk: The company has implemented policies that require appropriate credit checks to be performed on potential customers before sales are made. The amount of exposure to any individual counter-party is subject to a limit which is re-assessed annually.

Liquidity risk and interest rate risk: The company is financed by its parent company through a mixture of short-term and long term debt. This arrangement is designed to ensure that the company has sufficient available funds for day-to-day operations and planned expansion. To the extent that the parent company loans are interest bearing, the rate is set by the parent company and interest payable is calculated on a daily basis.

On behalf of the board



M Cavarra
Director

Coutts Information Services Limited
Company Information

Directors	M Cavarra S Everson
Secretary	Taylor Wessing Secretaries Limited
Registered office	5 New Street Square London EC4A 3TW
Auditor	Princercroft Willis Limited Chartered Accountants & Registered Auditor Towngate House 2-8 Parkstone Road Poole Dorset BH15 2PW

Coutts Information Services Limited
Directors' Report for the Year Ended 31 December 2014

The directors present their report and the audited financial statements for the year ended 31 December 2014.

Results and dividend

The results for the company are set out in the financial statements.
The directors do not recommend the payment of a dividend.

Directors

The directors who held office during the year were as follows:

- M Cavarra
- S Everson

Directors' responsibilities

The directors are responsible for preparing the Annual 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 the period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and 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 financial statements;
- prepare the financial statements on a 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 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.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Auditors

The auditors, Princecroft Willis Limited, will be proposed for re-appointment in accordance with section 487 of the Companies Act 2006.

Approved by the Board on 18 September 2015 and signed on its behalf by:



M Cavarra
Director

Independent Auditor's Report to the Members of Coutts Information Services Limited

We have audited the financial statements of Coutts Information Services Limited for the year ended 31 December 2014. 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 Statement of Directors Responsibilities (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 and financial statements 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 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 December 2014 and of its loss 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's Report to the Members of Coutts Information Services Limited

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

Mark Johns

Mark Johns ACA FCCA (Senior Statutory Auditor)
For and on behalf of Princecroft Willis Limited, Statutory Auditor
Towngate House
2-8 Parkstone Road
Poole
Dorset
BH15 2PW

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Coutts Information Services Limited

	Note	Year ended 31 December 2014	Year ended 31 December 2013
		£	£
Turnover	2	25,953,618	29,091,349
Cost of sales		(21,546,062)	(25,192,042)
Gross profit		<u>4,407,556</u>	<u>3,899,307</u>
Administrative expense		(4,311,403)	(3,736,911)
Other Operating Expense		(1,574,272)	-
Operating (loss) /profit	3	<u>(1,478,119)</u>	<u>162,396</u>
Interest receivable and similar income		72,128	-
Interest payable and similar charges	6	-	(8,462)
(Loss) / profit on ordinary activities before taxation		<u>(1,405,991)</u>	<u>153,934</u>
Tax on loss (profit) on ordinary activities	7	42,945	(62,371)
(Loss) / profit for the financial year	16, 17	<u>(1,363,046)</u>	<u>91,563</u>
Profit and loss reserve brought forward		374,097	279,186
Other profit and loss reserve movements	17	(12,174)	3,348
Profit and loss reserve carried forward		<u>(1,001,123)</u>	<u>374,097</u>

All of the activities of the company are classified as continuing.

The notes on pages 10 to 21 form an integral part of these financial statements.

Coutts Information Services Limited

Statement of Total Recognised Gains and Losses for the Year Ended 31 December 2014

	Year ended 31 December 2014	Year ended 31 December 2013
	£	£
Net profit /(loss) for the year	(1,363,046)	91,563
Foreign currency translation differences	(12,174)	3,348
Total recognised gains and (losses) for the year	<u>(1,375,220)</u>	<u>94,911</u>

The notes on pages 10 to 21 form an integral part of these financial statements.

Coutts Information Services Limited
Balance Sheet as at 31 December 2014

		31 December 2014		31 December 2013	
		£	£	£	£
	Note				
Fixed assets					
Intangible assets	8	-	-	-	-
Tangible assets	9		1,093,590		1,127,109
			<u>1,093,590</u>		<u>1,127,109</u>
Current assets					
Stocks	11	822,998		962,959	
Debtors	12	10,523,916		5,225,322	
Cash at bank and in hand		466,866		553,968	
		<u>11,813,780</u>		<u>6,742,249</u>	
Creditors: Amounts falling due within one year	13	<u>(13,265,701)</u>		<u>(5,301,704)</u>	
Net current assets / (liabilities)			<u>(1,451,921)</u>		<u>1,440,545</u>
Total assets less current liabilities			<u>(358,331)</u>		<u>2,567,654</u>
Creditors: Amounts falling due after more than one year	14		-		(1,550,765)
Net assets / (liabilities)			<u><u>(358,331)</u></u>		<u><u>1,016,889</u></u>
Capital and reserves					
Called up share capital	15		351,356		351,356
Share premium reserve	16		80,236		80,236
Capital redemption reserve	16		211,200		211,200
Profit and loss reserve	16		<u>(1,001,123)</u>		<u>374,097</u>
Shareholders' funds	17		<u><u>(358,331)</u></u>		<u><u>1,016,889</u></u>

Approved by the Board on 18 September 2015 and signed on its behalf by:



M Cavarra
Director

Company number 02574299

Coutts Information Services Limited
Cash Flow Statement for the Year Ended 31 December 2014

		Year ended 31 December 2014	Year ended 31 December 2013
	Note	£	£
Net cash flow from operating activities	19	(140,652)	114,216
Returns on investment and servicing of finance	20	72,128	(8,462)
Taxation		-	25,492
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(18,578)	(47,351)
Sales of tangible fixed assets		-	-
		<u>(18,578)</u>	<u>(47,351)</u>
Net cash flow		<u><u>(87,102)</u></u>	<u><u>83,895</u></u>

Reconciliation of net cash flow to movement in net funds

		Year ended 31 December 2014	Year ended 31 December 2013
	Note	£	£
(Decrease)/increase in cash in the year	21	<u>(87,102)</u>	<u>83,895</u>
Change in net funds resulting from cash flows		<u>(87,102)</u>	<u>83,895</u>
Net funds at the start of the year	21	<u>553,968</u>	<u>470,073</u>
Net funds at the end of the year	21	<u><u>466,866</u></u>	<u><u>553,968</u></u>

The notes on pages 10 to 21 form an integral part of these financial statements.

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2014

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Going concern

These financial statements have been prepared on the basis that the company can continue to operate as a going concern. Subsequent to the balance sheet date the company agreed the sale of the trade and associated net assets of the business to a third party. The directors consider the going concern basis to be appropriate as the agreed consideration is expected to exceed the carrying value of the net assets at the balance sheet date.

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Goodwill	20 years straight line
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Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Freehold property	2% straight line
Furniture and equipment	15% p.a. on reducing balance and up to 7 years straight line
Motor vehicles	25% straight line basis
Computer equipment	between 3 and 10 years straight line

Goodwill

Goodwill is the difference between the fair value of consideration paid for an acquired entity and the aggregate of the fair value of that entity's identifiable assets and liabilities.

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2014

Deferred taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Foreign currencies

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the profit and loss account.

The overseas branch is translated using the closing rate method and the exchange differences arising on retranslation of opening net assets are taken directly to reserves. All other translation differences are taken to the profit and loss account.

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as 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 company competes internationally with specialist booksellers throughout the world. The directors are of the opinion that the analysis of turnover by geographical market would be seriously prejudicial to the company as competitors may use this information to their advantage.

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2014

3 Operating profit

Operating profit is stated after charging/(crediting):

	Year ended 31 December 2014	Year ended 31 December 2013
	£	£
Hire of plant and machinery - operating leases	11,060	15,439
The audit of the company's annual accounts	25,000	25,000
Foreign currency (gains)/losses	(80,254)	59,820
Depreciation of owned assets	52,097	64,211
Exceptional loss on transfer of business from related group undertaking	1,574,272	-
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

Fees paid to the company's auditor for services other than the statutory audit of the company, are not disclosed in the accounts since the consolidated accounts of the company's parent, Coutts Information Holdings Limited, are required to disclose such fees on a consolidated basis.

4 Particulars of employees

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	Year ended 31 December 2014	Year ended 31 December 2013
	No.	No.
Production	79	80
Sales & Distribution	17	17
Administration & Management	13	13
	<u>109</u>	<u>110</u>

The aggregate payroll costs of these persons were as follows:

	Year ended 31 December 2014	Year ended 31 December 2013
	£	£
Wages and salaries	2,433,163	2,458,812
Social security	249,403	220,476
Other pension costs	73,284	66,145
	<u>2,755,850</u>	<u>2,745,433</u>

5 Directors' emoluments

The directors' emoluments for the year are as follows:

	Year ended 31 December 2014	Year ended 31 December 2013
	£	£
Directors' remuneration (including benefits in kind)	-	-
Directors' pension contributions	-	-
Compensation for loss of office	-	-
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2014

Directors' emoluments (continued)

The number of directors accruing benefits under company pension schemes was as follows:

	Year ended 31 December 2014 No.	Year ended 31 December 2013 No.
Money purchase	-	-

The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid director was £Nil (31 December 2013 - £Nil), and company pension contributions of £Nil (31 December 2013 - £Nil) were made to a money purchase scheme on their behalf.

6 Interest

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Other interest receivable	72,128	-
Other interest payable	-	(8,462)
	<u>72,128</u>	<u>(8,462)</u>

7 Taxation

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Current tax		
Current tax on income for period	-	(147)
Deferred tax		
Origination and reversal of timing differences	38,468	40,334
Deferred tax adjustment relating to previous years	1,280	8
Adjustment in relation to assets acquired from fellow subsidiary	(82,693)	-
Effect of change in Corporation Tax rate 23% to 20%	-	22,176
Total deferred tax	<u>(42,945)</u>	<u>62,518</u>
Total tax on loss (2013 profit) on ordinary activities	<u>(42,945)</u>	<u>62,371</u>

Analysis of current period tax charge/(credit)

A deferred tax asset has been recognised due to the expectation that the company will make sufficient taxable profits in the near future for the reversal of the timing difference to affect the amount of tax payable.

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2014

7 Taxation (continued)

Factors affecting current period tax charge/(credit)

The tax assessed on the loss (2013 profit) on ordinary activities for the year is lower than (2013 – lower than) the standard rate of corporation tax in the UK of 21.5% (2013 – 23.25%).

The differences are reconciled below:

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
(Loss) /profit on ordinary activities before taxation	<u>(1,405,991)</u>	<u>153,934</u>
Standard rate corporation tax charge	(302,192)	35,785
Expenses not deductible for tax purposes	338,861	491
Other timing difference	331	(636)
Depreciation in excess of capital allowances	(1,536)	2,406
Loss (utilised)/carried forward in period	(36,840)	(38,046)
Adjustment in respect of previous year	1,376	(147)
Total current tax for the year	<u>-</u>	<u>(147)</u>

8 Intangible fixed assets

	Goodwill £
Cost	
As at 1 January 2014	854,329
As at 31 December 2014	854,329
Amortisation	
As at 1 January 2014	854,329
As at 31 December 2014	854,329
Net book value	
As at 31 December 2013	-
As at 31 December 2014	<u>-</u>

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2014

9 Tangible fixed assets

	Freehold land and buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost				
As at 1 January 2014	1,327,954	338,295	540,157	2,206,406
Additions	-	1,100	17,478	18,578
Disposals	-	-	(1,003)	(1,003)
As at 31 December 2014	<u>1,327,954</u>	<u>339,395</u>	<u>556,632</u>	<u>2,223,981</u>
Depreciation				
As at 1 January 2014	340,906	265,538	472,853	1,079,297
Eliminated on disposals	-	-	(1,003)	(1,003)
Charge for the year	20,189	8,095	23,813	52,097
As at 31 December 2014	<u>361,095</u>	<u>273,633</u>	<u>495,663</u>	<u>1,130,391</u>
Net book value				
As at 31 December 2013	<u>987,048</u>	<u>72,757</u>	<u>67,304</u>	<u>1,127,109</u>
As at 31 December 2014	<u>966,859</u>	<u>65,762</u>	<u>60,969</u>	<u>1,093,590</u>

Freehold land and buildings

The gross book value of freehold land and buildings includes £1,027,954 (2013 - £1,027,954) of depreciable assets.

10 Investments held as fixed assets

At 31 December 2014 the company did not hold any investments as fixed assets.

At the start of the year the company held more than 20% of the share capital of the following company which was struck off on 6th May 2014:

Subsidiary undertakings	Country of incorporation	Principal activity	Class	%
Promotional Books Limited	UK	Dormant	Ordinary	100

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2014

11 Stocks and work in progress

	31 December 2014	31 December 2013
	£	£
Stocks	<u>822,998</u>	<u>962,959</u>

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

12 Debtors

	31 December 2014	31 December 2013
	£	£
Trade debtors	2,660,157	3,446,694
Amounts owed by group undertakings	3,845,271	1,244,413
Other debtors	55,197	69,570
Deferred tax	193,644	150,700
Prepayments and accrued income	3,769,647	313,945
	<u>10,523,916</u>	<u>5,225,322</u>

The company is expected to be profitable for the foreseeable future and therefore a deferred tax asset has been recognised in respect of tax losses.

Debtors includes £Nil (2013-£1,102,818) receivable after more than one year.

13 Creditors: Amounts falling due within one year

	31 December 2014	31 December 2013
	£	£
Trade creditors	5,713,204	3,926,147
Amounts owed to group undertakings	167,189	645,049
Social security and other taxes	53,252	67,455
Other creditors	13,242	11,640
Accruals and deferred income	7,318,814	651,413
	<u>13,265,701</u>	<u>5,301,704</u>

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2014

14 Creditors: Amounts falling due after more than one year

	31 December 2014	31 December 2013
	£	£
Amounts owed to group undertakings	<u>-</u>	<u>1,550,765</u>

15 Share capital

	31 December 2014	31 December 2013
	£	£
Equity		
351,356 (2013 – 351,356) Ordinary shares of £1 each	<u>351,356</u>	<u>351,356</u>
	<u>351,356</u>	<u>351,356</u>

16 Reserves

	Share premium reserve	Capital redemption reserve	Profit and loss reserve	Total
	£	£	£	£
Balance at 1 Jan 2014	80,236	211,200	374,097	665,533
Transfer from profit and loss account for the year	-	-	(1,363,046)	(1,363,046)
Foreign currency translation differences	-	-	(12,174)	(12,174)
Balance at 31 Dec 2014	<u>80,236</u>	<u>211,200</u>	<u>(1,001,123)</u>	<u>(709,687)</u>

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2014

17 Reconciliation of movements in shareholders' funds

	31 December 2014	31 December 2013
	£	£
Profit /(loss) attributable to members of the company	(1,363,046)	91,563
Dividends	<u>-</u>	<u>-</u>
	(1,363,046)	91,563
Other recognized gain (loss) for the period	<u>(12,174)</u>	<u>3,348</u>
Net increase /(decrease) to shareholders' funds	(1,375,220)	94,911
Opening shareholders' funds	<u>1,016,889</u>	<u>921,978</u>
Closing shareholders' funds	<u>(358,331)</u>	<u>1,016,889</u>

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2014

18 Pension scheme

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £73,284 (31 December 2013 - £66,145)

Contributions totaling £13,038 (2013 - £6,200) were payable to the schemes at the end of the year and are included in creditors.

19 Reconciliation of operating profit to operating cash flows

	Year ended 31 December 2014	Year ended 31 December 2013
	£	£
Operating profit / (loss)	(1,478,119)	162,396
Depreciation, amortisation and impairment charges	52,097	64,211
Decrease/ (increase) in stocks	139,961	(123,366)
(Increase) / decrease in debtors	(5,255,650)	(905,221)
Increase / (decrease) in creditors	6,413,232	912,848
Retranslation adjustment	(12,173)	3,348
Net cash flow from operating activities	<u>(140,652)</u>	<u>114,216</u>

20 Analysis of cash flows

	Year ended 31 December 2014	Year ended 31 December 2013
	£	£
Returns on investment and servicing of finance		
Other interest received /(paid)	72,128	(8,462)
	<u>72,128</u>	<u>(8,462)</u>

21 Analysis of net funds

	At start of period	Cash flow	At end of period
	£	£	£
Cash at bank and in hand	553,968	(87,102)	466,866
Net funds	<u>553,968</u>	<u>(87,102)</u>	<u>466,866</u>

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2014

22 Related parties

Controlling entity

At the balance sheet date the company was controlled by Coutts Information Holdings Limited, a company incorporated in Great Britain. Coutts Information Holdings Limited prepare group accounts and these are available from 5 New Street Square, London, EC4A 3TW. Coutts Information Holdings Limited is owned by an affiliate of Ingram Industries Inc., a company incorporated in the United States. The company considers Ingram Industries Inc. to be its ultimate parent company.

Related party transactions

The company is a wholly owned subsidiary of Coutts Information Holdings Limited. In accordance with FRS 8 the company is exempt from disclosing transactions with Coutts Information Holdings Limited.

The following balances with companies under the common control of Ingram Industries Inc. existed at the year end:

ICAC LLC

	31 December 2014	31 December 2013
	£	£
Debtors- owed by group undertakings	2,663,095	-
Other creditors (due in more than one year)	-	1,550,765

During the year loan interest of £72,128 was paid by ICAC LLC (2013 - £8,462 charged). In addition, various amounts of expenditure have been recharged to and from ICAC LLC.

Coutts Information Services (Canada) Limited

	31 December 2014	31 December 2013
	£	£
Debtors- owed by group undertakings	71,046	96,539

During the period sales totaling £1,182,449 (2013 - £1,343,024) and purchases totaling £129,674 (2013 - £179,354) were charged. In addition, various amounts of expenditure have been recharged to and from Coutts Information Services (Canada) Limited.

Coutts Information Services Inc

	31 December 2014	31 December 2013
	£	£
Debtors- owed by group undertakings	-	45,056
Creditors – owed to group undertakings	58,489	-

Coutts Information Services Limited
Notes to the Financial Statements for the Year Ended 31 December 2014

During the period royalties totaling £342,952 (2013- Nil) were paid to Coutts Information Services Inc. In addition various amounts of expenditure have been recharged to and from Coutts Information Services Inc.

Ingram Digital Limited	31 December 2014	31 December 2013
	£	£
Creditors – owed to group undertakings	-	549,889
Prepayments	-	232,258

On 1 January 2014 the company acquired the trade and assets of Ingram Digital Limited. These were transferred at book value which resulted in net liabilities acquired of £1,574,272.
In 2013 purchases totaling £3,347,215 and various amounts of expenditure were recharged by Ingram Digital Limited.

Lightning Source UK Limited	31 December 2014	31 December 2013
	£	£
Creditors – owed to group undertakings	14,544	7,559

During the period purchases totaling £39,803 (2013 - £44,194) and various amounts of expenditure have been recharged by Lightning Source UK Limited.

Ingram Book Group Inc	31 December 2014	31 December 2013
	£	£
Creditors – owed to group undertakings	94,157	87,602

During the period purchases, totaling £1,073,980 (2013 - £1,486,808) and sales totaling £733 (2013 - £37,903) were charged.

23 Financial commitments

At 31 December the company had annual commitments under non-cancellable operating leases expiring as follows:

	Year ended 31 December 2014	Year ended 31 December 2013
	£	£
Other operating leases which expire in:		
Less than one year	-	971
Between one and five years	13,043	9,247
	<u>13,043</u>	<u>10,218</u>

24. Subsequent events

At 29 May 2015 the Company and other affiliated sellers, completed the sale of substantially all of the assets and liabilities of Coutts business to ProQuest LLC and affiliated purchasers.