

GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND

AUDITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

FOR

COMPUTER RISK MANAGEMENT LTD

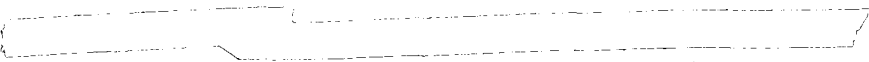
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for the Year Ended 31 March 2018

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COMPUTER RISK MANAGEMENT LTD

COMPANY INFORMATION
for the Year Ended 31 March 2018

DIRECTORS:

Mr G L Vickers
Mr J R Kight
Mrs S L Kight

SECRETARY:

Mr G L Vickers

REGISTERED OFFICE:

6 Edward Court
Altrincham Business Park
Altrincham
Cheshire
WA14 5GL

REGISTERED NUMBER:

02783851 (England and Wales)

AUDITORS:

C. Wilkinson & Co.
Chartered Accountants and Statutory Auditors
Britannic House
657 Liverpool Road
Irlam
Manchester
Greater Manchester
M44 5XD

COMPUTER RISK MANAGEMENT LTD

GROUP STRATEGIC REPORT
for the Year Ended 31 March 2018

The directors present their strategic report for the year ended 31 March 2018.

The company's principal activity remained that of supply of computer hardware, consumables and equipment.

The directors are satisfied with the trading performance of the company during the year. The increase in profitability recorded in the year was driven by an increase in sales turnover as a result of continued and improving e-commerce presence in the market.

REVIEW OF BUSINESS

Key performance indicators are considered to be those that communicate the financial performance of the company as a whole, being sales and gross profit.

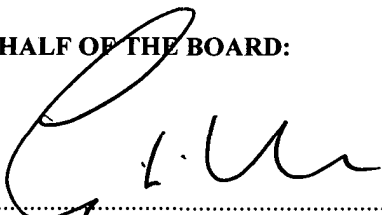
As a result of its activities the directors are pleased to report that sales turnover increased by 20.01% to £44,888,276 the cash position was £5,399,100 and trading EBITDA for the year was £4,444,830.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk and uncertainty to the business arises from the prevailing economic conditions. To mitigate the impact on sales, the company continues to develop its links with the manufacturers to ensure the new products ranges are available to its customers on a timely basis.

The company's operations expose it to variety of financial risks that include the effect of changes in debt, market prices, credit risk, liquidity risk and foreign exchange risk. The company has a risk management programme that seek to limit the adverse effects on the financial performance of the company. The company has implemented policies that require appropriate credit check before a sale is made. The company manages its cash requirements in order to maximise interest income while ensuring the company has significant liquid resources to meet the operating needs of the business.

ON BEHALF OF THE BOARD:



.....
Mr G L Vickers - Secretary

Date: 14 DECEMBER 2018

COMPUTER RISK MANAGEMENT LTD

REPORT OF THE DIRECTORS for the Year Ended 31 March 2018

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2018.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of the supply of computer hardware, consumables and equipment.

DIVIDENDS

The total distribution of dividends for the year ended 31 March 2018 will be £2,800,731.

DIRECTORS

The directors set out in the table below have held office during the whole of the period from 1 April 2017 to the date of this report.

The beneficial interests of the directors holding office at 31 March 2018 in the shares of the company, according to the register of directors' interests, were as follows:

	31.3.18	1.4.17
Ordinary 'A' shares of £1 each		
Mr G L Vickers	50	50
Mr J R Kight	50	50
Mrs S L Kight	-	-
Ordinary 'B' shares of £1 each		
Mr G L Vickers	2	2
Mr J R Kight	-	-
Mrs S L Kight	2	2

These directors did not hold any non-beneficial interests in any of the shares of the company.

POLITICAL DONATIONS AND EXPENDITURE

During the year the group made charitable donations of £11,792 (2017 - £1,567).

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's 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 financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

COMPUTER RISK MANAGEMENT LTD

REPORT OF THE DIRECTORS
for the Year Ended 31 March 2018

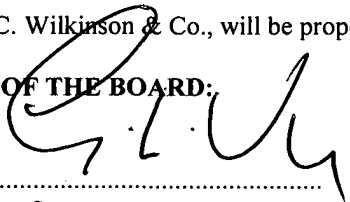
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, C. Wilkinson & Co., will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
Mr G L Vickers - Secretary

Date: 14 DECEMBER 2018

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
COMPUTER RISK MANAGEMENT LTD**

Opinion

We have audited the financial statements of Computer Risk Management Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2018 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 March 2018 and of the group's 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
COMPUTER RISK MANAGEMENT LTD**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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 a Report of the Auditors 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.



Colin Wilkinson (Senior Statutory Auditor)
for and on behalf of C. Wilkinson & Co.
Chartered Accountants and Statutory Auditors
Britannic House
657 Liverpool Road
Irlam
Manchester
Greater Manchester
M44 5XD

Date: 14 DECEMBER 2018

COMPUTER RISK MANAGEMENT LTD

CONSOLIDATED INCOME STATEMENT
for the Year Ended 31 March 2018

	Notes	31.3.18 £	31.3.17 £
TURNOVER	3	44,888,276	37,388,806
Cost of sales		(35,618,906)	(29,680,307)
GROSS PROFIT		9,269,370	7,708,499
Administrative expenses		(4,881,341)	(4,314,150)
		4,388,029	3,394,349
Other operating income		-	45,622
OPERATING PROFIT		4,388,029	3,439,971
Income from fixed asset investments		18,369	33,621
Interest receivable and similar income		8,737	7,583
		4,415,135	3,481,175
Interest payable and similar expenses	6	(11,051)	(16,777)
PROFIT BEFORE TAXATION	7	4,404,084	3,464,398
Tax on profit	8	(839,006)	(701,051)
PROFIT FOR THE FINANCIAL YEAR		3,565,078	2,763,347
Profit attributable to:			
Owners of the parent		3,564,431	2,760,886
Non-controlling interests		647	2,461
		3,565,078	2,763,347

The notes on pages 15 to 26 form part of these financial statements

COMPUTER RISK MANAGEMENT LTD

CONSOLIDATED OTHER COMPREHENSIVE INCOME
for the Year Ended 31 March 2018

	Notes	31.3.18 £	31.3.17 £
PROFIT FOR THE YEAR		3,565,078	2,763,347
OTHER COMPREHENSIVE INCOME			
Reversal of impairment losses		-	26,167
Gain on fair value of tangible assets		-	19,455
Income tax relating to components of other comprehensive income		-	(3,981)
		<hr/>	<hr/>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		-	41,641
		<hr/>	<hr/>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		3,565,078	2,804,988
		<hr/>	<hr/>
Total comprehensive income attributable to:			
Owners of the parent		3,564,431	2,802,527
Non-controlling interests		647	2,461
		<hr/>	<hr/>
		3,565,078	2,804,988
		<hr/>	<hr/>

The notes on pages 15 to 26 form part of these financial statements

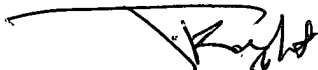
CONSOLIDATED BALANCE SHEET31 March 2018

	Notes	31.3.18 £	31.3.17 £
FIXED ASSETS			
Intangible assets	11	1	1
Tangible assets	12	623,622	657,132
Investments	13	-	780,668
		<u>623,623</u>	<u>1,437,801</u>
CURRENT ASSETS			
Stocks	14	1,714,165	1,396,899
Debtors	15	1,182,266	1,263,645
Prepayments and accrued income		2,561,234	2,211,771
Cash at bank and in hand		5,399,100	3,204,323
		<u>10,856,765</u>	<u>8,076,638</u>
CREDITORS			
Amounts falling due within one year	16	(7,546,559)	(6,337,531)
NET CURRENT ASSETS		<u>3,310,206</u>	<u>1,739,107</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,933,829</u>	<u>3,176,908</u>
CREDITORS			
Amounts falling due after more than one year	17	(540,000)	(540,000)
PROVISIONS FOR LIABILITIES	21	(9,114)	(16,540)
NET ASSETS		<u><u>3,384,715</u></u>	<u><u>2,620,368</u></u>
CAPITAL AND RESERVES			
Called up share capital	22	104	104
Retained earnings	23	3,386,072	2,622,372
SHAREHOLDERS' FUNDS		<u>3,386,176</u>	<u>2,622,476</u>
NON-CONTROLLING INTERESTS	24	(1,461)	(2,108)
TOTAL EQUITY		<u><u>3,384,715</u></u>	<u><u>2,620,368</u></u>

The financial statements were approved by the Board of Directors on 14 DECEMBER 2018 and were signed on its behalf by:



 Mr G L Vickers - Director



 Mr J R Knight - Director

The notes on pages 15 to 26 form part of these financial statements


COMPANY BALANCE SHEET31 March 2018

	Notes	31.3.18 £	31.3.17 £
FIXED ASSETS			
Intangible assets	11	1	1
Tangible assets	12	622,542	655,284
Investments	13	9	780,677
		<u>622,552</u>	<u>1,435,962</u>
CURRENT ASSETS			
Stocks	14	1,714,165	1,396,899
Debtors	15	1,261,695	1,342,864
Prepayments and accrued income		2,561,234	2,211,771
Cash at bank and in hand		5,297,099	3,118,836
		<u>10,834,193</u>	<u>8,070,370</u>
CREDITORS			
Amounts falling due within one year	16	(7,515,374)	(6,318,607)
NET CURRENT ASSETS		<u>3,318,819</u>	<u>1,751,763</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,941,371</u>	<u>3,187,725</u>
CREDITORS			
Amounts falling due after more than one year	17	(540,000)	(540,000)
PROVISIONS FOR LIABILITIES	21	(9,336)	(16,804)
NET ASSETS		<u><u>3,392,035</u></u>	<u><u>2,630,921</u></u>
CAPITAL AND RESERVES			
Called up share capital	22	104	104
Retained earnings	23	3,391,931	2,630,817
SHAREHOLDERS' FUNDS		<u><u>3,392,035</u></u>	<u><u>2,630,921</u></u>
Company's profit for the financial year		<u><u>3,561,845</u></u>	<u><u>2,751,044</u></u>

The financial statements were approved by the Board of Directors on 14 December 2018 and were signed on its behalf by:



Mr G L Vickers - Director



Mr J R Kight - Director

The notes on pages 15 to 26 form part of these financial statements

COMPUTER RISK MANAGEMENT LTD

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 March 2018

	Called up share capital £	Retained earnings £	Total £	Non-controlling interests £	Total equity £
Balance at 1 April 2016	104	2,337,501	2,337,605	(4,569)	2,333,036
Changes in equity					
Dividends	-	(2,476,015)	(2,476,015)	-	(2,476,015)
Total comprehensive income	-	2,760,886	2,760,886	2,461	2,763,347
Balance at 31 March 2017	104	2,622,372	2,622,476	(2,108)	2,620,368
Changes in equity					
Dividends	-	(2,800,731)	(2,800,731)	-	(2,800,731)
Total comprehensive income	-	3,564,431	3,564,431	647	3,565,078
Balance at 31 March 2018	104	3,386,072	3,386,176	(1,461)	3,384,715

The notes on pages 15 to 26 form part of these financial statements

COMPUTER RISK MANAGEMENT LTD

COMPANY STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 March 2018

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2016	104	2,355,788	2,355,892
Changes in equity			
Dividends	-	(2,476,015)	(2,476,015)
Total comprehensive income	-	2,751,044	2,751,044
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2017	104	2,630,817	2,630,921
	<hr/>	<hr/>	<hr/>
Changes in equity			
Dividends	-	(2,800,731)	(2,800,731)
Total comprehensive income	-	3,561,845	3,561,845
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2018	104	3,391,931	3,392,035
	<hr/>	<hr/>	<hr/>

The notes on pages 15 to 26 form part of these financial statements

COMPUTER RISK MANAGEMENT LTD**CONSOLIDATED CASH FLOW STATEMENT**
for the Year Ended 31 March 2018

	Notes	31.3.18 £	31.3.17 £
Cash flows from operating activities			
Cash generated from operations	1	5,231,669	2,999,191
Interest paid		(11,051)	(16,777)
Tax paid		(985,281)	(792,314)
Net cash from operating activities		4,235,337	2,190,100
Cash flows from investing activities			
Purchase of tangible fixed assets		(4,897)	(20,661)
Purchase of fixed asset investments		(9,477)	(91,121)
Sale of fixed asset investments		798,044	82,430
Interest received		8,737	7,583
Dividends received		18,369	33,621
Net cash from investing activities		810,776	11,852
Cash flows from financing activities			
Amount withdrawn by directors		(45)	(14,709)
Reversal of impairment losses		-	(26,167)
Equity dividends paid		(2,800,731)	(2,476,015)
Net cash from financing activities		(2,800,776)	(2,516,891)
Increase/(decrease) in cash and cash equivalents		2,245,337	(314,939)
Cash and cash equivalents at beginning of year	2	3,140,340	3,456,737
Effect of foreign exchange rate changes		(28)	(1,458)
Cash and cash equivalents at end of year	2	5,385,649	3,140,340

The notes on pages 15 to 26 form part of these financial statements

COMPUTER RISK MANAGEMENT LTD

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the Year Ended 31 March 2018

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	31.3.18	31.3.17
	£	£
Profit before taxation	4,404,084	3,464,398
Depreciation charges	38,431	38,212
(Profit)/loss on disposal of fixed assets	(7,899)	18,037
Gain on revaluation of fixed assets	-	(19,455)
Finance costs	11,051	16,777
Finance income	(27,106)	(41,204)
	<hr/>	<hr/>
	4,418,561	3,476,765
(Increase)/decrease in stocks	(317,266)	549,541
Increase in trade and other debtors	(268,084)	(1,219,195)
Increase in trade and other creditors	1,398,458	192,080
	<hr/>	<hr/>
Cash generated from operations	5,231,669	2,999,191
	<hr/>	<hr/>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2018

	31.3.18	1.4.17
	£	£
Cash and cash equivalents	5,399,100	3,204,323
Bank overdrafts	(13,451)	(63,983)
	<hr/>	<hr/>
	5,385,649	3,140,340
	<hr/>	<hr/>

Year ended 31 March 2017

	31.3.17	1.4.16
	£	£
Cash and cash equivalents	3,204,323	3,493,830
Bank overdrafts	(63,983)	(37,093)
	<hr/>	<hr/>
	3,140,340	3,456,737
	<hr/>	<hr/>

The notes on pages 15 to 26 form part of these financial statements

1. STATUTORY INFORMATION

Computer Risk Management Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Significant judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on managements best knowledge of the amount, events or actions, actual results ultimately may differ from those estimates.

The estimates and assumptions which have a significant risk of causing material adjustment to the carrying of assets and liabilities are :

Making judgement based on historical experience on the level of provision required for impairment of stock, the carrying values of stock and the level of rebates held back of goods not sold.

Estimating the useful economic life of an asset and the anticipated residual value are considered key judgement in calculating an appropriate depreciation charge.

Making judgement based on historical on the level of provision of bad debts.

Revenue

Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, value added tax and other sales taxes. Revenue is recognised as follows:-

Sale of goods

Sale of goods are recognised when the Company despatches the products to the customer and collectability of the related receivables is fairly stated.

Sales rebates

Sales rebates are recognised when the Company has purchased and sold, pre agreed requirements with the manufactures and collectability of the related receivables is fairly stated.

Website and software costs

Amortisation is provided for on Website and software costs in order to write off the asset over its estimated life of 5 years on a straight line basis.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Fixtures and fittings	- 25% on reducing balance

Stocks

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

2. ACCOUNTING POLICIES - continued

Financial instruments

The company enters into basic financial instruments transactions and investments that result in the recognition of financial assets and liabilities like listed investments, trade and other debtors and creditors, loans from banks and other parties and loans to and from related parties.

Financial assets are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If evidence of impairment is found, an impairment loss is recognised in the income statement.

Listed investments are measured at fair value with changes recognised in the profit and loss.

Basic financial liabilities are initially measured at transaction price and subsequently measured at amortised cost, being the transaction price less amounts settled.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

Fixed asset investments

Listed investments held as fixed assets are shown at market value. Investments in Subsidiary undertakings are shown as the lower of cost or net realisable value.

Supplier rebates

Purchase rebates are recognised when the Company has purchased pre agreed requirements with its suppliers and these are offset against purchases within the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	31.3.18	31.3.17
	£	£
United Kingdom	44,082,896	36,561,253
Europe	126,318	77,419
Rest of the World	679,062	750,134
	<u>44,888,276</u>	<u>37,388,806</u>

4. EMPLOYEES AND DIRECTORS

	31.3.18	31.3.17
	£	£
Wages and salaries	1,591,661	1,458,155
Social security costs	150,514	137,059
Other pension costs	6,459	4,024
	<u>1,748,634</u>	<u>1,599,238</u>

The average number of employees during the year was as follows:

	31.3.18	31.3.17
Directors	5	5
Sales & Marketing	41	38
Finance & Administration	5	5
	<u>51</u>	<u>48</u>

5. DIRECTORS' EMOLUMENTS

	31.3.18	31.3.17
	£	£
Directors' remuneration	<u>103,761</u>	<u>105,182</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>-</u>	<u>3</u>
------------------------	----------	----------

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.3.18	31.3.17
	£	£
Bank interest	1	-
Bank loan interest	11,050	10,900
Interest on corporation tax	-	5,877
	<u>11,051</u>	<u>16,777</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

7. PROFIT BEFORE TAXATION

The profit is stated after charging/(crediting):

	31.3.18	31.3.17
	£	£
Depreciation - owned assets	38,431	38,212
(Profit)/loss on disposal of fixed assets	(7,899)	18,037
Auditors' remuneration	7,234	7,129
Foreign exchange differences	(268)	(14,828)
Operating lease - plant	10,080	12,942
Operating lease - other	7,154	7,199
	<u> </u>	<u> </u>

The highest paid director during the year received total emoluments of £31,456 (2017 - £31,342).

8. TAXATION**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	31.3.18	31.3.17
	£	£
Current tax:		
UK corporation tax	846,428	689,881
Deferred tax	(7,422)	11,170
Tax on profit	<u>839,006</u>	<u>701,051</u>

UK corporation tax has been charged at 19% (2017 - 20%).

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.3.18	31.3.17
	£	£
Profit before tax	<u>4,404,084</u>	<u>3,464,398</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 20%)	836,776	692,880
Effects of:		
Expenses not deductible for tax purposes	8,347	10,501
Income not taxable for tax purposes	(3,490)	(10,615)
Capital allowances in excess of depreciation	(4,123)	-
Depreciation in excess of capital allowances	-	10,223
Timing difference	1,496	(1,938)
Total tax charge	<u>839,006</u>	<u>701,051</u>

Tax effects relating to effects of other comprehensive income

There were no tax effects for the year ended 31 March 2018.

COMPUTER RISK MANAGEMENT LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

8. TAXATION - continued

	Gross £	31.3.17 Tax £	Net £
Reversal of impairment losses	26,167	-	26,167
Gain on fair value of tangible assets	19,455	(3,981)	15,474
	<u>45,622</u>	<u>(3,981)</u>	<u>41,641</u>

9. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

10. DIVIDENDS

	31.3.18 £	31.3.17 £
Ordinary 'A' shares of £1 each		
Interim div Ordinary 'A'	2,693,011	2,380,784
Ordinary 'B' shares of £1 each		
Interim div Ordinary 'B'	107,720	95,231
	<u>2,800,731</u>	<u>2,476,015</u>

11. INTANGIBLE FIXED ASSETS

Group

	Website and software £
COST	
At 1 April 2017	87,659
Exchange differences	4
	<u>87,663</u>
At 31 March 2018	
AMORTISATION	
At 1 April 2017	87,658
Exchange differences	4
	<u>87,662</u>
At 31 March 2018	
NET BOOK VALUE	
At 31 March 2018	<u>1</u>
At 31 March 2017	<u>1</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

11. INTANGIBLE FIXED ASSETS - continued**Company**

	Website and software £
COST	
At 1 April 2017 and 31 March 2018	87,403
AMORTISATION	
At 1 April 2017 and 31 March 2018	87,402
NET BOOK VALUE	
At 31 March 2018	1
At 31 March 2017	1

12. TANGIBLE FIXED ASSETS**Group**

	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 April 2017	708,432	376,058	1,084,490
Additions	-	4,897	4,897
Exchange differences	-	63	63
At 31 March 2018	708,432	381,018	1,089,450
DEPRECIATION			
At 1 April 2017	135,178	292,180	427,358
Charge for year	14,169	24,262	38,431
Exchange differences	-	39	39
At 31 March 2018	149,347	316,481	465,828
NET BOOK VALUE			
At 31 March 2018	559,085	64,537	623,622
At 31 March 2017	573,254	83,878	657,132

COMPUTER RISK MANAGEMENT LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

12. TANGIBLE FIXED ASSETS - continued

Company

	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 April 2017	708,432	371,275	1,079,707
Additions	-	4,897	4,897
At 31 March 2018	708,432	376,172	1,084,604
DEPRECIATION			
At 1 April 2017	135,178	289,245	424,423
Charge for year	14,169	23,470	37,639
At 31 March 2018	149,347	312,715	462,062
NET BOOK VALUE			
At 31 March 2018	559,085	63,457	622,542
At 31 March 2017	573,254	82,030	655,284

13. FIXED ASSET INVESTMENTS

Group

	Listed investments £
COST	
At 1 April 2017	780,668
Additions	9,477
Disposals	(790,145)
At 31 March 2018	-
NET BOOK VALUE	
At 31 March 2018	-
At 31 March 2017	780,668

COMPUTER RISK MANAGEMENT LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

13. FIXED ASSET INVESTMENTS - continued

Company

	Shares in group undertakings £	Listed investments £	Totals £
COST OR VALUATION			
At 1 April 2017	9	780,668	780,677
Additions	-	9,477	9,477
Disposals	-	(790,145)	(790,145)
At 31 March 2018	9	-	9
NET BOOK VALUE			
At 31 March 2018	9	-	9
At 31 March 2017	9	780,668	780,677

Cost or valuation at 31 March 2018 is represented by:

	Shares in group undertakings £
Cost	9

Fixed asset listed investments were valued on an open market basis on 31 March 2018 by T D Waterhouse.

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiary

Printerland (Pty) Ltd

Registered office: Unit 68 Millennium Business Park Edison Way, Century City, Milnerton, Cape Town, 7441
Nature of business: Online sale of computer hardware and consumables

	% holding	31.3.18 £	31.3.17 £
Class of shares:			
Ordinary	80.00		
Aggregate capital and reserves		(7,311)	(10,544)
Profit for the year		3,233	12,303

14. STOCKS

	Group		Company	
	31.3.18 £	31.3.17 £	31.3.18 £	31.3.17 £
Stocks	1,714,165	1,396,899	1,714,165	1,396,899

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.18	31.3.17	31.3.18	31.3.17
	£	£	£	£
Trade debtors	1,182,266	1,263,645	1,182,266	1,263,435
Amounts owed by group undertakings	-	-	79,429	79,429
	<u>1,182,266</u>	<u>1,263,645</u>	<u>1,261,695</u>	<u>1,342,864</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.18	31.3.17	31.3.18	31.3.17
	£	£	£	£
Bank loans and overdrafts (see note 18)	13,451	63,983	13,451	63,983
Trade creditors	6,403,349	5,262,472	6,374,783	5,245,046
Tax	405,584	544,437	403,985	544,437
Social security and other taxes	39,722	33,434	39,722	33,434
VAT	397,410	265,404	396,390	263,906
Other creditors	367	308	367	308
Directors' current accounts	4	49	4	49
Accrued expenses	286,672	167,444	286,672	167,444
	<u>7,546,559</u>	<u>6,337,531</u>	<u>7,515,374</u>	<u>6,318,607</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	31.3.18	31.3.17	31.3.18	31.3.17
	£	£	£	£
Bank loans (see note 18)	<u>540,000</u>	<u>540,000</u>	<u>540,000</u>	<u>540,000</u>

18. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	31.3.18	31.3.17	31.3.18	31.3.17
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	<u>13,451</u>	<u>63,983</u>	<u>13,451</u>	<u>63,983</u>
Amounts falling due in more than five years:				
Repayable otherwise than by instalments				
Bank loans more 5 yrs	<u>540,000</u>	<u>540,000</u>	<u>540,000</u>	<u>540,000</u>

19. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

COMPUTER RISK MANAGEMENT LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

Group

	Non-cancellable operating leases	
	31.3.18	31.3.17
	£	£
Within one year	13,840	18,237
Between one and five years	8,224	12,428
	<u>22,064</u>	<u>30,665</u>

Company

	Non-cancellable operating leases	
	31.3.18	31.3.17
	£	£
Within one year	5,395	10,790
Between one and five years	4,496	9,891
	<u>9,891</u>	<u>20,681</u>

20. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	31.3.18	31.3.17	31.3.18	31.3.17
	£	£	£	£
Bank overdraft	13,451	63,983	13,451	63,983
Bank loans	<u>540,000</u>	<u>540,000</u>	<u>540,000</u>	<u>540,000</u>
	<u>553,451</u>	<u>603,983</u>	<u>553,451</u>	<u>603,983</u>

The bank loan is secured by a fixed and floating charge over the assets of the company. The company credit card facility is secured by a personal guarantee provided by Mr G Vickers and Mr J Kight.

21. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.3.18	31.3.17	31.3.18	31.3.17
	£	£	£	£
Deferred tax	<u>9,114</u>	<u>16,540</u>	<u>9,336</u>	<u>16,804</u>

Group

	Deferred tax
	£
Balance at 1 April 2017	16,540
Accelerated capital allowance	(7,422)
Other movements	(4)
	<u>9,114</u>
Balance at 31 March 2018	<u>9,114</u>

COMPUTER RISK MANAGEMENT LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

21. PROVISIONS FOR LIABILITIES - continued

Company

	Deferred tax £
Balance at 1 April 2017	16,804
Accelerated capital allowances	(7,468)
	<hr/>
Balance at 31 March 2018	9,336
	<hr/>

22. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.18 £	31.3.17 £
100	Ordinary 'A'	£1	100	100
4	Ordinary 'B'	£1	4	4
			<hr/>	<hr/>
			104	104
			<hr/>	<hr/>

23. RESERVES

Group

	Retained earnings £
At 1 April 2017	2,622,372
Profit for the year	3,564,431
Dividends	(2,800,731)
	<hr/>
At 31 March 2018	3,386,072
	<hr/>

Company

	Retained earnings £
At 1 April 2017	2,630,817
Profit for the year	3,561,845
Dividends	(2,800,731)
	<hr/>
At 31 March 2018	3,391,931
	<hr/>

24. NON-CONTROLLING INTERESTS

Printerland (PTY) Ltd is an 80% equity owned subsidiary. Minority interests within the accounts are the remaining 20% equity holding in this Company.

25. RELATED PARTY DISCLOSURES

During the year, total dividends of £2,800,731 (2017 - £2,476,015) were paid to the directors.

26. ULTIMATE CONTROLLING PARTY

The Company was under the control of its directors throughout the year.