Registered number: 03009356

VISTA RETAIL SUPPORT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

VISTA RETAIL SUPPORT LIMITED

CONTENTS

VISTA RETAIL SUPPORT LIMITED

COMPANY INFORMATION

Directors	K M Brooks R J Cottrell L H V Humphreys J A Pepper E C Pullham (appointed 27 September 2016)
Company secretary	K A Kerr
Registered number	03009356
Registered office	Unit 1b Pentwyn Business Centre Wharfedale Road Pentwyn Cardiff CF23 7HB
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors One Kingsway Cardiff CF10 3PW

STRATEGIC REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

The directors present their Strategic Report for Vista Retail Support Limited ("the company") for the year ended 31 August 2016.

Business review

The financial statements for the year show an excellent result in terms of growth in revenue and underlying EBITDA. Revenue, at £17,473,000, grew by 13%. EBITDA before exceptional items is £3,215,000 (2015: £2,199,000). Underlying EBITDA, which excludes the effect of certain non-operating costs, is £3,403,000 in the year, representing growth of 42% compared with the prior year. This is the result of increased revenues from maintenance contracts and project services, as well as continued efficiencies in the operating cost base.

Maintenance revenue growth was experienced as a result of winning new maintenance contracts together with growth from existing customer contracts. Customer contract retention was exceptional, with no contracts which came up for renewal during the year being lost. This is the result of maintaining continued high service levels and focusing on customer relationships. Project services revenue grew significantly by 64% as a result of continued growth within the underlying business as well as the winning and successfully delivery of a number of larger projects in the year.

Cost efficiencies continued to be generated from investing in IT systems and the implementation of new operational initiatives as well as new management processes and reporting.

During the year, the business invested in a number of new senior management positions within Business Development, Operations and Quality Systems. This has resulted in an increase in new business opportunities and contracts won, continued service improvements and operational efficiencies, as well as preparing the business for ISO 27001 certification, which is due to be completed early in calendar year 2017. In addition, the company continued to invest in developing its staff via training and other development initiatives.

The head office property in Cardiff underwent a £450,000 refurbishment during the year which was completed in September 2016. This has both modernised and increased capacity in its office space, warehouses and repair centre. The improvements made have led to operational efficiency improvements as well as providing increased space for future growth and a significantly improved working environment for employees.

There were exceptional costs relating to compensation for loss of office, professional fees in relation to corporate restructuring, and temporary relocation costs associated with the refurbishment of the head office. The exceptional income in the year relates to settlement received following an early contract termination for exceptional reasons outside of Vista's control, offset with the associated costs. A breakdown of these can be found in note 5 on page 18 of these financial statements.

Net assets were £5,793,000 at the end of the financial year (2015: £5,409,000), with an increase in cash of £972,000 to £3,219,000.

The directors regularly review the strategic objectives of the business including potential future developments. The long-term strategic objectives of the business continue to be to provide excellent service for customers, a first rate working environment for its staff, as well as long-term shareholder value enhancement through sustained incremental profitable growth, There are a number of key initiatives underway to underpin this strategy, including the recent investment in new business senior management, the assessment of potential strategic alliances with a number of partners, including new services and overseas, as well as the continued investment in our people, processes and systems.

Principal risks and uncertainties

The biggest risk to the business continues to be that of significant customer contract loss. The directors consider that this risk is mitigated by the contractual arrangements in place, maintaining high service levels, investing in customer relationships and internal monitoring and reporting procedures.

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

Financial key performance indicators

The main financial KPI is underlying EBITDA. Underlying EBITDA, which excludes the effect of certain non-operating costs, is £3,403,000 (2015: £2,390,000).

Cash generation from operating activities (excluding non-operating costs and exceptional items) was 110% of underlying EBITDA in 2016 (2015: 108%).

The directors believe that the key to the retention of existing customers and the winning of new customers is the delivery of excellent customer service. The key measure of this is the business' performance against its contracted service level agreements ("SLAs"). During 2016, Vista Retail Support Limited achieved 103.9% (2015: 102.5%) performance against customer SLAs.

This report was approved by the board on 26 January 2017 and signed on its behalf.

R J Cottrell
Director

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

The directors present their annual report and the audited financial statements for Vista Retail Support Limited (the "company") for the year ended 31 August 2016.

Results and dividends

The profit after tax for the financial year amounted to £2,641,000 (2015: £1,618,000).

Interim dividends of £2,257,123 (2015: £Nil) have been paid during the year. No final dividends have been paid or proposed at 31 August 2016 (2015: £Nil).

Directors

The directors who served during the year and up to the date of signing the financial statements, unless otherwise stated, were:

K M Brooks
R J Cottrell
V F W Haffenden (resigned 27 November 2015)
L H V Humphreys
J A Pepper
E C Pullham (appointed 27 September 2016)

Qualifying third party indemnity provisions

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its directors.

Financial risk management

The main financial risks arising from the company's activities are credit risk, liquidity risk and cash flow risk.

Credit risk
The company is mainly exposed to credit risk from credit sales and cash on deposit with financial institutions. It is company policy to assess the credit risk of all customers and banking relationships and to factor the information from these assessments into future dealings with customers. The credit risk to the company is also controlled and minimised, by ensuring that customers' contractual revenues are paid in advance for maintenance services. At the balance sheet date there were no significant issues with regard to credit risk.

Liquidity risk
The operations of the company are financed by a mixture of retained profits and cash. The company's policy to manage liquidity risk is to ensure that adequate funds are held in readily accessible current accounts, to meet the working capital requirements of the company. The directors of the company monitor these risks carefully and, when appropriate, steps are taken to ensure liquidity risk is reduced. At the balance sheet date there were no issues with liquidity risk.

Cash flow risk
The company is part of a wider group of companies that operates within a group banking facility. The directors of the company monitor these risks carefully and, when appropriate, steps are taken to ensure cash flow risk is reduced. At the balance sheet date there were no issues with cash flow risk.

Future developments

Details of future developments have been included in the Strategic Report.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing 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;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 26 January 2017 and signed on its behalf by:

R J Cottrell
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VISTA RETAIL SUPPORT LIMITED

Report on the financial statements

Our opinion

In our opinion Vista Retail Support Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 August 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Balance Sheet as at 31 August 2016;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VISTA RETAIL SUPPORT LIMITED

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual 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.

Jason Clarke (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff

26 January 2017

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Turnover	4	**17,473**	15,489
Cost of sales		**(11,979)**	(11,076)
Gross profit		**5,494**	4,413
Distribution costs		**(143)**	(151)
Administrative expenses		**(2,364)**	(2,496)
EBITDA*		**3,215**	2,199
Depreciation of tangible assets		**(270)**	(239)
Exceptional items	5	**42**	(194)
Operating profit		**2,987**	1,766
Profit on ordinary activities before taxation		**2,987**	1,766
Tax on profit on ordinary activities	10	**(346)**	(148)
Profit for the financial year		**2,641**	1,618

There was no other comprehensive income for 2016 (2015: £NIL).

* EBITDA is earnings before exceptionals, interest, tax, depreciation and amortisation.

VISTA RETAIL SUPPORT LIMITED
REGISTERED NUMBER: 03009356

BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	2016 £000	2016 £000	2015 £000	2015 £000
Fixed assets					
Tangible assets	13		**818**		499
Current assets					
Stocks	14	**817**		956	
Debtors	15	**5,939**		6,627	
Cash at bank and in hand	16	**3,219**		2,247	
		9,975		9,830	
Creditors: amounts falling due within one year	17	**(4,968)**		(4,890)	
Net current assets			**5,007**		4,940
Total assets less current liabilities			**5,825**		5,439
Provisions for liabilities					
Deferred tax	19		**(32)**		(30)
Net assets			**5,793**		5,409
Capital and reserves					
Called up share capital	20		**72**		72
Share premium account	21		**20**		20
Profit and loss account	21		**5,701**		5,317
Total shareholders' funds			**5,793**		5,409

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 January 2017 by:

Emily C Pullham

E C Pullham

Director

The notes on pages 11 to 27 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2016

	Called up share capital	Share premium account	Profit and loss account	Total shareholders' funds
	£000	£000	£000	£000
At 1 September 2015	72	20	5,317	5,409
Comprehensive income for the year				
Profit for the financial year	-	-	2,641	2,641
Total comprehensive income for the year	-	-	2,641	2,641
Dividends: Equity capital	-	-	(2,257)	(2,257)
Total transactions with owners	-	-	(2,257)	(2,257)
At 31 August 2016	72	20	5,701	5,793

FOR THE YEAR ENDED 31 AUGUST 2015

	Called up share capital	Share premium account	Profit and loss account	Total shareholders' funds
	£000	£000	£000	£000
At 1 September 2014	72	20	3,699	3,791
Comprehensive income for the year				
Profit for the financial year	-	-	1,618	1,618
Total comprehensive income for the year	-	-	1,618	1,618
At 31 August 2015	72	20	5,317	5,409

The notes on pages 11 to 27 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. General information

Vista Retail Support Limited (the "company") is involved in the provision of maintenance of EPOS and related equipment and ancillary services to the retail, leisure and hospitality sectors.

The company is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is: Unit 1b Wharfedale Road, Cardiff, CF23 7HB.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 26.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied consistently throughout the year:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Vista Technology Support Group Limited as at 31 August 2016 and these financial statements may be obtained from Unit 1B, Wharfedale Road, Cardiff, CF23 7HB.

2. Accounting policies (continued)

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Intangible assets

Goodwill arising on an acquisition of a trade is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. It is capitalised and amortised through the Statement of Comprehensive Income over the directors' estimate of its useful economic life of 10 years. Impairment tests on the carrying value of goodwill are undertaken:

- At the end of the first full financial year following acquisition; and
- In other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

2.5 Tangible assets

Tangible assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2. Accounting policies (continued)

2.5 Tangible assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long term Leasehold Property	- Over the terms of the lease
Plant and machinery	- 33% on a straight line basis
Fixtures and fittings	- 17% on a straight line basis
Computer equipment	- 33% on a straight line basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.6 Stocks

The cost of maintenance spares less residual value is spread over the length of the contract for which the spares have been purchased.

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the profit or loss account.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2. Accounting policies (continued)

2.9 Financial instruments (continued)

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.11 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.14 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

2. Accounting policies (continued)

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.17 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

3. Judgements in applying accounting policies and key sources of estimation uncertainty

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.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Maintenance stock

The cost of maintenance spares less residual value is spread over the length of the individual contract for which the spares have been purchased. The appropriateness of this model is assessed annually and deemed by management to be the most appropriate method.

4. Turnover

An analysis of turnover by type of business is as follows:

	2016 £000	2015 £000
Sale of goods	**880**	606
Supply of services	**16,593**	14,883
	17,473	15,489

Analysis of turnover by country of destination:

	2016 £000	2015 £000
United Kingdom	**17,150**	15,233
Rest of Europe	**323**	256
	17,473	15,489

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

5. Exceptional items

	2016	2015
	£000	£000
Compensation for loss of office and related fees	**35**	184
Other employment matters	**4**	10
Relocation costs	**22**	-
Restructuring costs	**20**	-
Compensation for loss of earnings	**(123)**	-
	(42)	194

Exceptional costs of £26,000 (2015: £10,000) and exceptional income of £68,000 (2015: £184,000) have been included within cost of sales and administration expenses respectively. These have arisen as follows:

The company incurred costs relating to compensation for loss of office and related fees totalling £35,000 (2015: £184,000).

Costs relating to other employment matters of £4,000 (2015: £10,000).

Costs relating to the relocation during the renovation of the head office building of £22,000 (2015: £Nil).

Professional fees relating to corporate restructuring of £20,000 (2015: £Nil).

Settlement received following an early contract termination, offset by associated costs, of £123,000 (2015: £Nil).

6. Operating profit

The operating profit is stated after charging/(crediting):

	2016	2015
	£000	£000
Depreciation of tangible fixed assets	**270**	239
Exchange differences	**(48)**	15
Other operating lease rentals	**455**	465
Inventory recognised as an expense	**1,421**	1,343

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

7. Auditors' remuneration

	2016 £000	2015 £000
Fees payable to the company's auditors and its associates for the audit of the company's annual financial statements	**25**	24

Fees payable to the company's auditors and its associates in respect of:

Taxation compliance services	**8**	8
All other services	**14**	16

8. Employees

Staff costs, including directors' remuneration, were as follows:

	2016 £000	2015 £000
Wages and salaries	**6,038**	5,786
Social security costs	**601**	605
Other pension costs	**86**	57
	6,725	6,448

The average monthly number of employees, including the directors, during the year was as follows:

	2016 Number	2015 Number
Administration	**14**	14
Sales	**14**	13
Technical	**163**	154
Warehouse	**11**	11
	202	192

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

9. Directors' remuneration

	2016 £000	2015 £000
Aggregate directors' emoluments	**425**	448
Company contributions to defined contribution pension schemes	**40**	9
Compensation for loss of office	**-**	125
	465	582

During the year retirement benefits were accruing to 4 directors (2015: 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £144,000 (2015: £265,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £18,000 (2015: £Nil).

10. Tax on profit on ordinary activities

	2016 £000	2015 £000
Corporation tax		
Current tax on profits for the year	**343**	143
Adjustments in respect of prior years	**1**	5
Total current tax	**344**	148
Deferred tax		
Origination and reversal of timing differences	**6**	-
Changes to tax rates	**(4)**	-
Total deferred tax	**2**	-
Taxation on profit on ordinary activities	**346**	148

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

10. Tax on profit on ordinary activities (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 - lower than) the standard rate of corporation tax in the UK of 20.00% (2015 - 20.58%). The differences are explained below:

	2016 £000	2015 £000
Profit on ordinary activities before tax	**2,987**	1,766
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.00% (2015 - 20.58%)	**597**	363
Effects of:		
Expenses not deductible for tax purposes	**10**	17
Adjustments in respect of prior years	**1**	5
Effects of other tax rates/credits	**(4)**	-
Group relief	**(258)**	(237)
Total tax charge for the year	**346**	148

Factors that may affect future tax charges

The July 2015 Budget Statement announced changes (which were subsequently enacted) to the UK Corporation tax regime which will reduce the main rate of Corporation Tax to 19% from 1 April 2017 and 18% from 1 April 2020. A further change was announced in the March 2016 Budget to further reduce the Corporation Tax rate to 17% by 1 April 2020, which has yet to be substantively enacted.

Accordingly, deferred tax has been calculated using a tax rate of 18%.

11. Dividends

	2016 £000	2015 £000
Ordinary		
Dividends paid equivalent to £0.31 (2015: £0.00) per £0.01 share	**2,257**	-

12. Intangible assets

	Goodwill £000
Cost	
At 1 September 2015	**1,862**
At 31 August 2016	**1,862**
Accumulated amortisation	
At 1 September 2015	**1,862**
At 31 August 2016	**1,862**
Net book value	
At 31 August 2016	**-**
At 31 August 2015	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

13. Tangible assets

	Long term Leasehold Property £000	Plant and machinery £000	Fixtures and fittings £000	Computer equipment £000	Total £000
Cost					
At 1 September 2015	390	25	150	845	1,410
Additions	350	-	108	131	589
At 31 August 2016	740	25	258	976	1,999
Accumulated depreciation					
At 1 September 2015	240	24	57	590	911
Charge for the year	96	1	30	143	270
At 31 August 2016	336	25	87	733	1,181
Net book value					
At 31 August 2016	404	-	171	243	818
At 31 August 2015	150	1	93	255	499

The net book value of land and buildings may be further analysed as follows:

	2016 £000	2015 £000
Long leasehold	404	150

14. Stocks

	2016 £000	2015 £000
Goods for resale	-	5
Maintenance spares	817	951
	817	956

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

15. Debtors

	2016 £000	2015 £000
Trade debtors	**1,617**	2,373
Amounts owed by group undertakings	**3,569**	3,581
Other debtors	**27**	19
Prepayments and accrued income	**726**	654
	5,939	6,627

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

16. Cash and cash equivalents

	2016 £000	2015 £000
Cash at bank and in hand	**3,219**	2,247

17. Creditors: Amounts falling due within one year

	2016 £000	2015 £000
Trade creditors	**606**	216
Amounts owed to group undertakings	**36**	59
Corporation tax	**215**	67
Other taxation and social security	**338**	778
Other creditors	**11**	13
Accruals and deferred income	**3,762**	3,757
	4,968	4,890

Amounts owed to group undertakings are unsecured, interest free and are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

18. Financial instruments

	2016 £000	2015 £000
Financial assets		
Financial assets that are debt instruments measured at amortised cost	**5,213**	5,972
Financial liabilities		
Financial liabilities measured at amortised cost	**(1,602)**	(1,311)

Financial assets measured at amortised cost comprise trade debtors, amounts owed by group undertakings, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, other creditors and accruals and deferred income.

19. Deferred taxation

	2016 £000	2015 £000
At beginning of year	**(30)**	**(30)**
Charged to the profit or loss	**(2)**	**-**
At end of year	**(32)**	**(30)**

The provision for deferred taxation is made up as follows:

	2016 £000	2015 £000
Accelerated capital allowances	**(34)**	(31)
Short term timing differences	**2**	1
	(32)	(30)

20. Called up share capital

	2016 £000	2015 £000
Shares classified as equity		
Allotted, called up and fully paid		
7,239,130 (2015: 7,239,130) Ordinary shares of £0.01 each	**72**	72

21. Reserves

Share premium account

Share premium account represents the amount subscribed for share capital in excess of the nominal value.

Profit and loss account

The profit and loss account represents the accumulated profits, losses and distributions of the company.

22. Contingent liabilities

The company entered into joint and several guarantees on 23 May 2014 with certain fellow group companies in relation to amounts owed to Clydesdale Bank PLC and Octopus Apollo VCT PLC. At 31 August 2016 the liabilities covered by these guarantees totalled £8,143,591 (2015: £6,707,845).

23. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £86,000 (2015: £57,000).

24. Commitments under operating leases

At 31 August the company had future minimum lease payments under non-cancellable operating leases as follows:

	2016	2015
	£000	£000
Not later than 1 year	**500**	450
Later than 1 year and not later than 5 years	**346**	525
	846	975

25. Ultimate parent undertaking and controlling party

The immediate parent company is Vista Retail Support Holdings Limited.

The ultimate parent company and controlling party is Vista Technology Support Group Limited, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Vista Technology Support Group Limited consolidated financial statements can be obtained from the Company Secretary at Unit 1b, Pentwyn Business Park, Wharfedale Road, Pentwyn, Cardiff, CF23 7HB.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

26. First time adoption of FRS 102

The company transitioned to FRS 102 from previously extant UK GAAP as at 1 September 2014. The impact of the transition to FRS 102 is as follows:

Reconciliation of shareholders' funds at 1 September 2014

	Note	£000
Shareholders' funds at 1 September 2014 under previous UK GAAP		3,776
Holiday pay		15
Shareholders' funds at 1 September 2014 under FRS 102		**3,791**

Reconciliation of shareholders' funds at 31 August 2015

	Note	£000
Shareholders' funds at 31 August 2015 under previous UK GAAP		5,394
Holiday pay		15
Shareholders' funds at 31 August 2015 under FRS 102		**5,409**

Reconciliation of profit and loss account for the year ended 31 August 2015

	£000
Profit for the financial year under UK GAAP	1,618
Profit for the financial year ended 31 August 2015 under FRS 102	**1,618**

The following were changes in accounting policies arising from the transition to FRS 102:

1 Holiday pay accrual - FRS 102 requires short term employee benefits to be charged to the profit and loss account as the employee service is received. This has resulted in the company recognising a debtor for the holiday pay for its employees on the transition to FRS 102. Previously, holiday pay accruals were not recognised and were charged to the profit and loss account as they were paid.