

Steljes Holdings Limited

**Directors' report and consolidated
financial statements**

Registered number 3432780

Year ended 30th June 2013



A34KFQ1E

A44

27/03/2014

#259

COMPANIES HOUSE

Contents

	Page No
Company information	1
Directors' report	2
Statement of directors' responsibilities in respect of the Directors' Report and the financial statements	4
Independent auditor's report to the members of Steljes Holdings Limited	5
Consolidated profit and loss account	7
Consolidated balance sheet	8
Company balance sheet	9
Consolidated cash flow statement	10
Notes to the financial statements	12

Company information

Directors

N F Steljes
M I Large

Secretary

N F Steljes

Registered office

Bagshot Manor
Green Lane
Bagshot
Surrey
GU19 5NL

Auditors

KPMG LLP
Chartered Accountants
Arlington Business Park
Theale
Reading
RG7 4SD

Bankers

Bank of Scotland Plc
144-148 High Street
Southampton
Hampshire
SO14 2JF

Directors' report

The directors present their directors' report and the financial statements of the group for the year ended 30th June 2013

Principal activities

The company is a holding company. The principal activities of the company's subsidiaries was the sale and distribution of interactive whiteboards, audio visual equipment, interactive voting equipment and computer peripherals, event management, the hire of equipment, customer support and repairs

Business review

The group is a technology pioneering organisation that sources products from around the world, working with manufacturers to customise and bring their solutions to market through a specialised channel network

With a deep understanding of markets and technology, the group provides practical training and support to ensure that innovations add value in real-world situations, out-performing existing technology to deliver better results

Financial results and group KPIs & objectives are reviewed and analysed at monthly board meetings with gross profit continuing to be a key measure of performance

Achievements in 2013 include -

- More than doubled operating profit year on year in a challenging economic climate through strong cost control
- Growth in European territories and increasing opportunities in those markets
- Increasing shareholder funds by £1.13m

The group expects the current economic climate to remain challenging and monitors group performance closely, taking appropriate steps to mitigate potential exposure

The group has a high reliance on a few key vendors and manages this risk closely through regular communication and feedback, to ensure strong relationships are maintained. In addition, the group continues to expand into new markets outside of Education, such as the corporate market

Competition exists in the key markets that the group operates in and market share performance is closely monitored to ensure competitive advantage is maintained

The group recognises the need to maintain sufficient liquid assets to meet its cash flow obligations as they fall due. Sources of liquidity risk are identified and potential exposures are monitored. The group maintains regular communication with the bank and has a buffer of liquid assets to cover unforeseen circumstances

The group recognises the importance of strong credit management and regularly reviews credit strategy to minimise exposure, whilst maximising opportunity for growth

The group recognises the risk of stock obsolescence and actively monitors to ensure aged stock levels are minimised and appropriate sell through strategies are implemented

The group also recognises its obligation to fulfil certain warranty obligations and continually reviews to ensure an appropriate provision is reflected in the accounts

The group is optimistic that it is well positioned to continue its plan for growth with a number of new products in the pipeline, the expansion into new regions and the new markets, in particular the corporate market

Directors' report *(continued)*

Charitable and political donations

During the year, the group made a number of donations to various charities totalling £47,349 (2012 £580) and made political donations of £nil (2012 £nil)

Dividends paid

The directors have recommended the following dividends

	2013 £	2012 £
Dividends paid on ordinary shares	<u>897,000</u>	<u>19,600</u>

Directors

The directors who served the company during the year were as follows

N F Steljes
M I Large

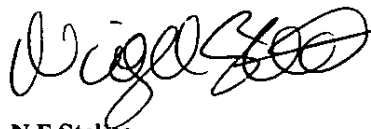
Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

Auditors

Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office

By order of the board



N F Steljes
Secretary

Bagshot Manor
Green Lane
Bagshot
Surrey
GU19 5NL

19TH MARCH 2014

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

Arlington Business Park

Theale

Reading

RG7 4SD

United Kingdom

Independent auditor's report to the members of Steljes Holdings Limited

We have audited the financial statements of Steljes Holdings Limited for the year ended 30th June 2013 set out on pages 7 to 27. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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's

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 Auditor's.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30th June 2013 and of the group's profit for the year then ended
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matters prescribed by the Companies Act 2006

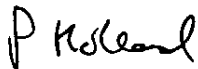
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Steljes Holdings Limited *(continued)*

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



Paul Holland (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Arlington Business Park,
Theale
Reading
RG7 4SD

24 March 2014

Consolidated profit and loss account
for the year ended 30th June 2013

	<i>Note</i>	2013 £	2012 £
Turnover	2	58,304,029	62,415,999
Cost of sales		(41,879,213)	(45,580,481)
		<hr/>	<hr/>
Gross profit		16,424,816	16,835,518
Administrative expenses		(13,604,032)	(15,758,013)
		<hr/>	<hr/>
Operating profit		2,820,784	1,077,505
Interest receivable	6	61,354	54,135
Interest payable and similar charges	7	(178,617)	(138,406)
		<hr/>	<hr/>
Profit on ordinary activities before taxation	3	2,703,521	993,234
Tax on profit on ordinary activities	8	(700,854)	(239,205)
		<hr/>	<hr/>
Profit on ordinary activities after taxation		2,002,667	754,029
Minority interest	25	(39,074)	(16,981)
		<hr/>	<hr/>
Profit for the financial year	23	1,963,593	737,048
		<hr/>	<hr/>

All of the activities of the company are classified as continuing

There are no differences between the results reported above and their historical cost equivalents

There were no recognised gains or losses for 2013 or 2012 other than those included in the profit and loss account


The notes on pages 12 to 27 form part of these financial statements

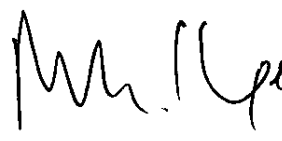
Consolidated balance sheet

At 30th June 2013

	Note	2013 £	2013 £	2012 £	2012 £
Fixed assets					
Tangible assets	12		1,672,658		1,050,020
Current assets					
Stocks	14	7,847,334		8,247,108	
Debtors due within one year	15	8,821,571		9,251,526	
Cash at bank and in hand		838,258		545,128	
		<u>17,507,163</u>		<u>18,043,762</u>	
Creditors: amounts falling due within one year	16	<u>(14,583,594)</u>		<u>(15,505,154)</u>	
Net current assets			<u>2,923,569</u>		<u>2,538,608</u>
Total assets less current liabilities			<u>4,596,227</u>		<u>3,588,628</u>
Creditors: amounts falling due after more than one year	17		(70,964)		(55,269)
Provision for liabilities	19		(442,925)		(584,404)
Net assets			<u>4,082,338</u>		<u>2,948,955</u>
Capital and reserves					
Called up share capital	22		11		11
Capital redemption reserve			1		1
Share premium account			4,454		4,454
Share based payments reserve			38,434		9,418
Currency revaluation reserve			(1,300)		-
Profit and loss account	23		3,872,211		2,805,618
Minority interest	25		168,527		129,453
Equity			<u>4,082,338</u>		<u>2,948,955</u>

These financial statements were approved by the board of directors on 19th MARCH 2014 and were signed on its behalf by


N F Steljes
Director



M I Large
Director

The notes on pages 12 to 27 form part of these financial statements

Company balance sheet
At 30th June 2013

	<i>Note</i>	2013 £	2013 £	2012 £	2012 £
Fixed assets					
Investments	13		38,434		9,418
Current assets					
Debtors due within one year	15	10		10	
Cash at bank and in hand		4,456		4,456	
		<u>4,466</u>		<u>4,466</u>	
Creditors: amounts falling due within one year	16	-		-	
Net current liabilities			<u>4,466</u>		<u>4,466</u>
Total assets less current liabilities			<u>42,900</u>		<u>13,884</u>
Capital and reserves					
Called up share capital	22		11		11
Capital redemption reserve			1		1
Share Premium Account			4,454		4,454
Share Based Payment Reserve			38,434		9,418
Equity			<u>42,900</u>		<u>13,884</u>

These financial statements were approved by the board of directors on 19TH MARCH 2014 and were signed on its behalf by


N F Steljes
Director


M I Large
Director

The notes on pages 12 to 27 form part of these financial statements

Consolidated cash flow statement
for the year ended 30th June 2013

	2013 £	2013 £	2012 £	2012 £
Net cash inflow from operating activities		3,958,095		3,541,722
Returns on investments and servicing of finance				
Interest received	61,354		54,135	
Interest paid	(178,617)		(138,406)	
Interest element of finance leases	(21,935)		(4,133)	
Non-equity dividends paid	(5,130)		(5,130)	
	<hr/>		<hr/>	
Net cash outflow from returns on investments and servicing of finance		(144,328)		(93,534)
Taxation		(699,712)		(430,441)
Capital expenditure				
Payments to acquire tangible fixed assets	(1,491,508)		(986,297)	
Receipts from sale of fixed assets	155,642		233,807	
	<hr/>		<hr/>	
Net cash outflow from capital expenditure		(1,335,866)		(752,490)
Equity dividends paid		(897,000)		(19,600)
		<hr/>		<hr/>
Cash inflow before financing		881,189		2,245,657
Financing				
Repurchase of shares	-		-	
Issue of Shares	-		4,456	
Redemption of preference shares	(38,000)		-	
(Decrease) in bank loans	(689,952)		(1,808,611)	
Capital element of finance leases	139,893		(37,590)	
	<hr/>		<hr/>	
Net cash outflow from financing		(588,059)		(1,841,745)
		<hr/>		<hr/>
Increase in cash		293,130		403,912
		<hr/> <hr/>		<hr/> <hr/>

The notes on pages 12 to 27 form part of these financial statements

Consolidated cash flow statement (continued)
for the year ended 30th June 2013

Reconciliation of operating profit to operating cash flows

	2013 £	2012 £
Operating profit	2,849,800	1,086,923
Depreciation charges	741,352	661,957
(Profit)/loss on sale of fixed assets	(44,907)	247,756
Decrease/(increase) in stocks	399,772	(1,455,125)
Decrease in debtors	375,799	248,541
(Decrease)/increase in creditors	(222,242)	2,649,531
(Decrease)/increase in provisions	(141,479)	102,139
Net cash inflow from operating activities	3,958,095	3,541,722

Reconciliation of net cash flow to movement in net funds

	2013 £	2012 £
(Decrease)/Increase in cash in the period	293,130	403,912
Net cash outflow from bank loans	689,952	1,808,611
Cash outflow in respect of finance/HP leases	(139,893)	37,590
Change in net debt	843,189	2,250,113
Net debt at beginning of year	(3,050,571)	(5,300,684)
Net debt at end of year	(2,207,382)	(3,050,571)

Analysis of net debt

	At beginning of year £	Cash flow £	At end of Year £
Cash at bank and in hand	545,128	293,130	838,258
Debt due within one year	545,128	293,130	838,258
Finance leases and hire purchase contracts	(3,546,355)	689,952	(2,856,403)
	(49,344)	(139,893)	(189,237)
Net debt	(3,050,571)	843,189	(2,207,382)

The notes on pages 12 to 27 form part of these financial statements

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

Basis of preparation

The group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review in the Directors' Report. The financial position of the group, its cash flows, liquidity position and borrowing facilities are also described in the Director's Report.

The notes to the financial statements include the group's objectives, policies and processes for managing its capital and its exposures to credit risk and liquidity risk.

On the basis of their assessment of the company and groups financial position, the directors have a reasonable expectation that the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

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

Basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiary undertakings made up to 30th June 2013. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

Under section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account.

Investments

In the company's financial statements, investments in subsidiary undertakings are stated at cost, less amounts written off.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Turnover from the provision of goods is recognised when the risks and rewards of ownership of goods have been transferred to the customer. The risks and rewards of ownership of goods are deemed to have been transferred when the goods are shipped to, or are collected by, the customer.

Turnover from services is recognised when the service provided to the customer has been completed.

Research and development expenditure

Expenditure on research and development is charged to the profit and loss account in the year in which it is incurred with the exception of expenditure on the development of certain new product lines where the outcome of the development is assessed as being reasonably certain as regards viability and technical feasibility. Such expenditure is capitalised and amortised over a period of three years commencing in the year sales of the product are first made.

Tangible fixed assets and depreciation

Depreciation is calculated so as to write off the cost of an asset less its estimated residual value by equal instalments, over the estimated useful economic life of that asset as follows:

Leasehold improvements	-	25-33% per annum of cost
Plant and machinery	-	33% per annum of cost
Demonstration and hire equipment	-	50% per annum of cost
Fixtures, fittings and equipment	-	33-40% per annum of cost

Notes (continued)

1 Accounting policies (continued)

Stocks

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

Debt factoring

The company utilises a debt factoring arrangement with a third party. Separate presentation is made for trade debtors and a corresponding liability in respect of proceeds received from the factor as the company retains significant benefits and risks relating to these debts. The interest element of the factor's charges are recognised as it accrues and included in the profit and loss account within interest payable and similar charges.

Leases

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs

The group operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The annual contributions payable are charged to the profit and loss account.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

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 otherwise required by FRS 19.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or, if using a hedged forward, at the rate of exchange under the related forward currency contract. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Classification of financial instruments issued by the Group

Following the adoption of FRS 25, financial instruments issued by the Group are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the Company (or Group as the case may be) to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company (or Group), and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Notes (continued)

1 Accounting policies (continued)

Dividends on shares presented within shareholders' funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Financial guarantee contracts

Where the company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company considers these to be insurance arrangements, and accounts for them as such. In this respect, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

Share based payments

The share option programme allows employees of the Group to acquire shares of the Company. In the Group accounts, the grant date fair value of share-based payment awards is recognised as an employee expense with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The fair value of the options granted is measured using an option pricing model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Where the Company grants options over its own shares to the employees of its subsidiaries, it recognises an increase in the cost of investment in its subsidiaries equivalent to the equity-settled share-based payment charge recognised in its subsidiary's financial statements with the corresponding credit being recognised directly in equity. Amounts recharged to the subsidiary/reimbursed by the subsidiary are recognised as a reduction in the cost of investment in its subsidiaries. If the amount recharged/reimbursed exceeds the increase in the cost of investment the excess is recognised as a dividend to the extent that it reflects post acquisition profits of the subsidiary.

2 Turnover

The turnover and profit before tax are attributable to the principal activity of the company and its subsidiaries. An analysis of turnover is given below.

	2013 £	2012 £
United Kingdom	55,622,007	59,513,023
Republic of Ireland	1,928,783	2,429,624
Europe	415,142	412,085
Rest of the world	338,097	61,267
	<u>58,304,029</u>	<u>62,415,999</u>

Notes (continued)

3 Notes to the profit and loss account

	2013 £	2012 £
<i>Profit on ordinary activities before taxation is stated after charging/(crediting)</i>		
Depreciation of owned fixed assets	667,180	623,635
Depreciation of assets held under finance lease/hire purchase agreements	74,172	38,322
Loss/(Profit) on disposal of fixed assets	(44,907)	247,756
Exceptional item	-	-
Professional Services		
audit of these financial statements	5,150	1,000
audit of financial statements of subsidiaries pursuant to legislation	59,600	60,043
non audit services provided by statutory auditors	21,638	80,103
other services	25,337	38,600
Operating lease costs		
plant and machinery	20,892	11,225
land and buildings	416,543	418,379
motor vehicles	261,566	279,396

4 Staff numbers and costs

The company has no employees other than directors. The average number of persons (including directors) employed by the group during the year, analysed by category, was as follows

	Number of employees 2013	2012
Sales staff	42	44
Administrative staff	104	113
Management staff	8	9
	<u>154</u>	<u>166</u>

The aggregate payroll costs of these persons were as follows

	2013 £	2012 £
Wages and salaries	6,750,295	7,370,115
Social security costs	859,769	967,188
Other pension costs	220,444	199,004
	<u>7,830,508</u>	<u>8,536,307</u>

Notes (continued)

5 Remuneration of group directors

The directors' aggregate emoluments in respect of qualifying services were

	2013 £	2012 £
Directors' emoluments	1,782,329	1,836,813
Company contributions to money purchase pension schemes	106,780	33,370
Benefits in kind	164,989	158,489
Compensation for loss of office	51,627	-
	<u>2,105,725</u>	<u>2,028,672</u>

Emoluments of highest paid director

	2013 £	2012 £
Total emoluments (excluding pension contributions)	540,203	299,145
Value of company pension contributions to money purchase schemes	20,000	10,000
	<u>560,203</u>	<u>309,145</u>

The number of directors who accrued benefits under company pension schemes was as follows

	Number of directors 2013	2012
Money purchase schemes	8	9

6 Interest receivable

	2013 £	2012 £
Bank interest receivable	3,563	274
Other interest receivable	57,791	53,861
	<u>61,354</u>	<u>54,135</u>

7 Interest payable and similar charges

	2013 £	2012 £
Finance charges	133,293	127,467
Finance costs on shares classified as liabilities	5,130	5,130
Other similar charges payable	40,194	5,809
	<u>178,617</u>	<u>138,406</u>

Notes (continued)

8 Taxation

Analysis of charge in year

	2013		2012	
	£	£	£	£
<i>UK corporation tax</i>				
UK Corporation tax based on the results for the year	656,936		373,854	
(Over)/under provision in prior years	(186,747)		(77,551)	
	<u> </u>		<u> </u>	
Total current tax		470,189		296,303
<i>Deferred tax (see note 9)</i>				
Origination/reversal of timing differences	22,724		(78,708)	
Adjustments in respect of prior years	193,280		(8,568)	
Effect of decreased tax rate	14,661		30,178	
	<u> </u>		<u> </u>	
Total deferred tax		230,665		(57,098)
		<u> </u>		<u> </u>
Tax on profit on ordinary activities		700,854		239,205
		<u> </u>		<u> </u>

Factors affecting the tax charge for the current year

The current tax charge for the period is lower (2012 higher) than the than the blended standard rate of corporation tax in the UK of 24.9% (2012 25.5%). The differences are explained below

	2013	2012
	£	£
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	2,703,521	993,234
	<u> </u>	<u> </u>
Current tax at 24.9% (2012 25.5%)	673,177	253,274
<i>Effects of</i>		
Expenses not deductible for tax purposes	31,568	72,797
Capital allowances for period in excess of depreciation	(40,869)	(10,774)
Other short term timing differences	285	201
(Profit)/loss on sale of fixed assets	(10,657)	63,551
Utilisation of losses brought forward	(3,503)	(4,352)
Share based payments	9,173	2,403
Marginal relief	(2,238)	(3,246)
(Over)/under provision in prior years	(186,747)	(77,551)
Small companies rate adjustment relating to Reivo Ltd	-	-
	<u> </u>	<u> </u>
Total current tax charge (see above)	470,189	296,303
	<u> </u>	<u> </u>

Notes (continued)

9 Deferred tax

The elements of deferred taxation are as follows

Group	2013 £	2012 £
Difference between accumulated depreciation and amortisation and capital allowances	149,724	215,976
Other short term timing differences	276	190
Adjustments in respect of prior years	164,500	-
	<hr/>	<hr/>
Deferred tax asset (note 15)	314,500	216,166
	<hr/>	<hr/>
		Deferred Taxation £
At beginning of year		216,166
Credit to the profit and loss for the year		(66,166)
Other short term timing differences		164,500
		<hr/>
At end of year		314,500
		<hr/>

The Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. These further rate reductions had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

It has not yet been possible to quantify the full anticipated effect of the announced further rate reductions, although this will further reduce the company's future current tax charge and reduce the company's deferred tax asset accordingly.

10 Profit attributable to members of the parent company

The profit dealt with in the accounts of the parent company was £nil (2012 £nil)

11 Dividends

The following dividends have been paid in respect of the year

	2013 £	2012 £
Dividends paid on ordinary shares	897,000	19,600
	<hr/>	<hr/>

Notes (continued)

12 Tangible fixed assets

Group	Leasehold Improvements £	Fixtures, Fittings & Equipment £	Plant & Machinery £	Hire, Demonstration & Marketing Equipment £	Motor Vehicles £	Total £
Cost						
At beginning of year	1,639,441	3,313,250	-	899,648	28,339	5,880,678
Additions	231,994	873,166	-	283,272	103,077	1,491,509
Disposals	(62,849)	(55,894)	-	(280,890)	-	(399,633)
Transfers	-	-	-	-	-	-
At end of year	1,808,586	4,130,522	-	902,030	131,416	6,972,554
Depreciation						
At beginning of year	1,319,784	2,927,245	-	582,448	1,181	4,830,658
Charge for year	193,327	279,241	-	249,170	19,614	741,352
On disposals	(22,086)	(46,816)	-	(203,212)	-	(272,114)
Transfers	-	-	-	-	-	-
At end of year	1,491,025	3,159,670	-	628,406	20,795	5,299,896
Net book value						
At 30 th June 2013	317,561	970,852	-	273,624	110,621	1,672,658
At 30 th June 2012	319,657	386,005	-	317,200	27,158	1,050,020

Included within the net book value of £1,672,658 is £196,204 (2012 £55,309) relating to assets held under hire purchase agreements and £nil (2012 £nil) relating to assets held under finance lease agreements. The depreciation charged in the year in respect of assets held under hire purchase agreements amounted to £74,172 (2012 £38,322) and £nil (2012 £nil) in respect of assets held under finance lease agreements.

13 Investments

Company	Group Undertakings £
Cost	
At 1 st July 2012	9,418
Share based payments	29,016
At 30th June 2013	38,434
Net book value	
At 30 th June 2013	38,434
At 30 th June 2012	9,418

Notes (continued)

13 Investments (continued)

The company holds 99% of the issued share capital of Steljes Limited, a company incorporated in England and Wales. The principal activity of this company is the distribution of interactive whiteboards, audio visual equipment and computer peripherals. The company's profit for the year ended 30th June 2013 was £2,092,127 (2012 profit £895,474) and its aggregate capital and reserves at that date amounted to £4,133,243 (2012 £2,909,100).

The company also holds 99% of the issued ordinary share capital of each of the following sub-subsidiaries (except Reivo Limited which is 79%) by virtue of its holding in the intermediate parent company Steljes Limited. All were incorporated in England and Wales and were dormant and non-trading throughout the year, with the exception of Reivo Limited (non dormant) and Steljes Ireland Limited (non dormant and incorporated in Ireland).

	2013 £	2012 £
Profit/(loss) for the year		
Steljes Trade Limited	-	-
Steljes Managed Services Limited	-	-
Steljes Markets Limited	-	-
Steljes Technical Services Limited	-	-
Steljes Software Limited	-	-
Steljes Training Limited	-	-
Steljes IT Services Limited	-	-
Reivo Limited	46,333	40,901
Steljes Ireland Limited	(133,007)	(172,927)
	<u> </u>	<u> </u>
Aggregate Capital and Reserves		
Steljes Trade Limited	250,000	250,000
Steljes Managed Services Limited	-	-
Steljes Markets Limited	50,000	50,000
Steljes Technical Services Limited	-	-
Steljes Software Limited	50,000	50,000
Steljes Training Limited	-	-
Steljes IT Services Limited	-	-
Reivo Limited	278,414	232,083
Steljes Ireland Limited	(350,907)	(216,600)
	<u> </u>	<u> </u>

Notes (continued)

14 Stocks

	Group 2013 £	2012 £	Company 2013 £	2012 £
Stock for resale	7,519,621	7,742,277	-	-
Goods in transit	327,713	504,831	-	-
	<u>7,847,334</u>	<u>8,247,108</u>	<u>-</u>	<u>-</u>

15 Debtors

	Group 2013 £	2012 £	Company 2013 £	2012 £
Trade debtors	6,502,763	6,451,265	-	-
Deferred tax assets	314,500	216,166	-	-
Other tax assets	-	-	-	-
Other debtors	340,095	392,022	10	10
Directors' current accounts	862,081	1,271,305	-	-
Prepayments and accrued income	802,132	920,768	-	-
	<u>8,821,571</u>	<u>9,251,526</u>	<u>10</u>	<u>10</u>

During the year the following directors received interest bearing loans, the maximum balances of which stood at M Large - £315,385, N Steljes - £993,220 and I Goodhind - £83,033. The balances at the year end stood at M Large - £276,986 (2012 £294,342), N Steljes - £502,062 (2012 £895,805) and I Goodhind - £83,033 (2012 £81,158). Interest is charged at a rate of 4% to 4.75% on overdrawn loan balances.

Notes (continued)

16 Creditors: amounts falling due within one year

	Group 2013 £	2012 £	Company 2013 £	2012 £
Trade creditors	8,347,414	7,898,636	-	-
Amounts due in respect of invoice discounting facility	2,856,403	3,546,355	-	-
Obligations under finance leases and hire purchase contracts	118,274	32,075	-	-
Corporation tax	305,173	359,594	-	-
Other taxation and social security	770,627	1,015,742	-	-
Accruals and deferred income	2,185,703	2,652,752	-	-
	<u>14,583,594</u>	<u>15,505,154</u>	<u>-</u>	<u>-</u>

Bank loans and overdrafts comprise an invoice discounting facility that is secured by a fixed charge over book debts and an overdraft facility secured by a fixed and floating charge

17 Creditors: amounts falling due after more than one year

	Group 2013 £	2012 £	Company 2013 £	2012 £
Shares classified as liabilities	-	38,000	-	-
Obligations under finance leases and hire purchase contracts	70,964	17,269	-	-
	<u>70,964</u>	<u>55,269</u>	<u>-</u>	<u>-</u>

The maturity of obligations under finance leases and hire purchase contracts is as follows

	Group 2013 £	2012 £	Company 2013 £	2012 £
Within one year	118,274	32,075	-	-
In the second to fifth years	70,964	17,269	-	-
	<u>189,238</u>	<u>49,344</u>	<u>-</u>	<u>-</u>

Notes (continued)

18 Commitments under operating leases

At 30th June 2012 the group and company had annual commitments under non-cancellable operating leases as set out below

	Group 2013 Land and buildings £	2012 Land and Buildings £	Company 2013 Land and buildings £	2012 Land and buildings £
Operating leases which expire				
Within one year	24,831	35,539	-	-
In the second to fifth years inclusive	380,119	379,308	-	-
Over five years	-	-	-	-
	<u>404,950</u>	<u>414,847</u>	<u>-</u>	<u>-</u>
	Group 2013 Other £	2012 Other £	Company 2013 Other £	2012 Other £
Operating leases which expire				
Within one year	67,275	79,547	-	-
In the second to fifth years inclusive	159,325	98,500	-	-
Over five years	-	-	-	-
	<u>226,600</u>	<u>178 047</u>	<u>-</u>	<u>-</u>

19 Provision for liabilities

Group	Warranty provision £	Other Provisions £	Total £
At beginning of year	584,404	-	584,404
Charged to the profit and loss account	179,606	-	179,606
Utilised during the year	(321,085)	-	(321,085)
At 30 th June 2013	<u>442,925</u>	<u>-</u>	<u>442,925</u>

The company provides on-site servicing on certain products and the warranty provision above reflects management's best estimate of these costs going forward

Notes (continued)

20 Related party transactions

The Company is controlled by N F Steljes as the majority shareholder of the Steljes group. The following related party transactions have occurred in the financial year ended 30 June 2013

During the year Steljes Limited transacted with Goaudiovisual Limited, a company of which N F Steljes is a director and shareholder. Net purchases of £342,548 (2012 £393,488) were made from this company and £50,320 (2012 £17,593) of sales were made to this company during the year. At 30th June 2013 £37,822 (2012 £18,856) was due to that company and £60,823 (2012 £20,994) was due from it.

The company made no net sales in the year to Tibboh Internet Limited but in 2012 made sales of £34,079. At the year-end £236,428 (2012 £236,428) remained outstanding, however this has been fully provided against at 30th June 2013. Tibboh Internet Limited is a company in which both N F Steljes and M I Large are directors and shareholders.

During the year the company transacted with Reivo Limited, a fellow group company of the ultimate parent, Steljes Holdings. The company made no net sales in the year to Reivo Limited but in 2012 made sales of £3,930. The company made purchases of £37,674 (2012 £34,591) from Reivo Limited during the year. At 30th June 2013 £68,574 (2012 £55,314) was due from that company and £938 (2012 £1,042) was due to it.

In addition Steljes Limited made net purchases of £18,174 (2012 £960) from Olluma Limited, a company owned by the spouse of a director of Steljes Limited, Martine Dodwell-Bennett. At 30th June 2013 no balance (2012 nil) was outstanding.

Furthermore, during the year Steljes Limited paid rent of £360,000 (2012 £360,000) to the Steljes Executive Retirement Benefits Scheme, no balance remained due at 30th June 2013 (2012 £90,000).

21 Share option programme

On 2nd April 2012 the Steljes Enterprise Management Incentive Plan was approved and established by the Board of Directors. The plan aims to reward and incentivise employees by allowing them to acquire shares of the company.

The options granted only become exercisable under one of the following circumstances:

- Change of control of the company or other takeover event
- Flotation of the company
- Another event that the Board considers justifies the options becoming exercisable

After ten years, the options granted lapse if none of the above events occur. The exercise of the options is not subject to the attainment of any performance conditions. Option holders must be employed by the group at the date of one of the events above in order to exercise their options.

An expense of £29,016 has been recognised in the year ended 30th June 2013 in respect of this scheme (2012 £9,418).

The fair value of the share options that remain in issue at 30th June 2013 have been disclosed to present the impact to the company should all of the options become exercisable immediately prior to the date which they are due to lapse.

The fair value of the original share options were measured at the grant date on 2nd April 2012.

Notes (continued)

21 Share option programme (continued)

The following table summarises information on the share options outstanding and exercisable at 30th June 2013

	Number of options	Exercise price (£)
Outstanding, beginning of year	11,700	46 00
Granted	-	-
Options exercised	-	-
Options lapsed	(2,340)	46 00
Outstanding, end of year	9,360	46 00
Exercisable, end of year	-	-

The estimated fair value of each share option granted under the Enterprise Management Incentive Plan based on the options becoming exercisable immediately prior to the date which they are due to lapse is £33.03. The aggregate fair value of the share options at the year end, under this scenario, is therefore £309,161 (2012 386,451)

The company determines the fair value of the share options granted based on a Black-Scholes option pricing model. The model requires the input of highly subjective assumptions including the expected share price volatility.

Assumptions made in estimating the grant date fair value of the remaining equity settled share options granted at 30th June 2013, were as follows:

	Assumptions at grant date (02/04/2012)
Risk-free interest rate	2.89%
Expected dividend yield	0%
Expected volatility	50.41%
Expected option life	9.99 yrs

The expected volatility above is based on the average volatility of shares of four companies whose shares are publicly traded and carry on a similar business to that of Steljes Limited. The expected life of the option is derived from the terms of the scheme and represents the last point at which shares options could be exercised before lapsing (therefore showing their highest fair value). The risk-free interest rate is based on applicable government bonds. Changes in subjective assumptions can materially affect the fair value of the option.

Notes (continued)

22 Called up share capital

	2013 £	2012 £
<i>Authorised</i>		
6,400,000 'A' ordinary shares of £0 0001 each	640	640
1,600,000 'B' ordinary shares of £0 0001 each	160	160
2,000,000 'C' ordinary shares of £0 0001 each	200	200
	<u>1,000</u>	<u>1,000</u>
	£	£
<i>Allotted, called up and fully paid</i>		
80,000 'A' ordinary shares of £0 0001 each	8	8
5 000 'B' ordinary shares of £0 0001 each	0 5	0 5
22 280 'C' ordinary shares of £0 0001 each	2 23	2 23
	<u>10 73</u>	<u>10 73</u>

On 2nd April 2012 22,280 class C ordinary shares with aggregate nominal value of £2 23 were issued for cash at £0 20 per share. As at 30th June 2013 £nil is unpaid (2012 nil)

Voting rights of the holders of issued shares of 'A' and 'B' ordinary shares issued are the same, as are the entitlements to receive dividends

'C' ordinary shares carry no voting rights and no entitlement to receive dividends

23 Reserves

Group	Capital redemption reserve £	Share premium account £	Share based payments reserve £	Profit and loss account £
Balance brought forward	1	4,454	9,418	2,805,618
Retained profit for the financial year	-	-	-	1,963 593
Shares issued in the year	-	-	-	-
Dividends paid	-	-	-	(897,000)
Share based payments	-	-	29,016	-
	<u>1</u>	<u>4,454</u>	<u>38,434</u>	<u>3,872,211</u>

Notes (continued)

24 Reconciliation of movements in shareholders' funds

	2013 £	2012 £
Shareholders' funds		
Opening shareholders' funds	2,948,955	2,200,652
Profit for the financial year	1,991,309	746,466
Dividends paid	(897,000)	(19,600)
Minority Interest in the year	39,074	16,981
Share capital issued during the year at par value	-	2
Share premium recognised in the year	-	4,454
	<hr/>	<hr/>
Closing shareholders' funds	4,082,338	2,948,955
	<hr/> <hr/>	<hr/> <hr/>

25 Minority interest

Group	Reivo Ltd (20%) £	Steljes Ltd (1%) £	Total £
Balance brought forward	33,274	96,179	129,453
Retained profit for the financial year	13,185	25,889	39,074
	<hr/>	<hr/>	<hr/>
Balance carried forward	46,459	122,068	168,527
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>