

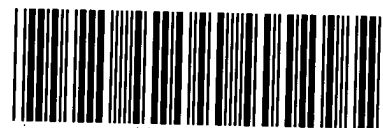
Registration number: SC076501 (Scotland)

**Phoenix IT Computer Group (Scotland) Limited
(formerly ICM Computer Group (Scotland) Limited)**

Annual Report and Financial Statements

for the Year Ended 31 March 2014

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**Phoenix IT Computer Group (Scotland) Limited (formerly ICM Computer Group
(Scotland) Limited)**

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**Phoenix IT Computer Group (Scotland) Limited (formerly ICM Computer Group
(Scotland) Limited)**

Company Information

Directors	S Vaughan J Aikman
Company secretary	D Toulmin-Van Sittert
Registered office	ICM House Technology Avenue Hamilton International Technology Park Glasgow G72 0HT
Independent Auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors Exchange House Central Business Exchange Midsummer Boulevard Milton Keynes United Kingdom MK9 2DF
Bankers	Royal Bank of Scotland 152 Silbury Boulevard Milton Keynes MK9 1LT

**Phoenix IT Computer Group (Scotland) Limited (formerly ICM Computer Group
(Scotland) Limited)**

Directors' Report for the Year Ended 31 March 2014

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

Principal activity

The principal activity of the Company is the provision of computer solutions and the provision of support services for computer users.

On 1 October 2013, the Company changed its name from ICM Computer Group (Scotland) Limited to Phoenix IT Computer Group (Scotland) Limited.

Directors of the company

The directors who held office during the year and up to the date of signing these financial statements were as follows:

J Aikman

A Granelli (resigned 11 August 2014)

The following director was appointed after the year end:

S Vaughan (appointed 11 August 2014)

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors during the year which remain in force at the date of this report.

Going concern

The Company is reliant on its ultimate parent company Phoenix IT Group plc to support the recoverability of its intercompany debtors. After making enquiries and receiving written confirmation from the group regarding the necessary financial support to the Company, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the accounting policies in the financial statements.

Directors' responsibilities statement

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 the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

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

**Phoenix IT Computer Group (Scotland) Limited (formerly ICM Computer Group
(Scotland) Limited)**

Directors' Report for the Year Ended 31 March 2014

..... *continued*

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.

In accordance with Section 418, the Directors' Reports shall include a statement, in the case of each director in office at the date the Directors' Report is approved, that:

(a) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and

(b) he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Reappointment of auditors

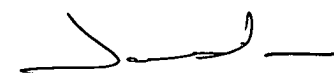
PricewaterhouseCoopers LLP have indicated their willingness to be reappointed for another term and appropriate arrangements are being made for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Strategic Report

The directors have taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006 from preparing a Strategic Report.

The Directors' Report has been prepared in accordance with the small companies regime within part 15 of the Companies Act 2006.

Approved by the Board on 20/08/14 and signed on its behalf by:



.....
J Aikman
Director

**Independent Auditors' Report to the Members of
Phoenix IT Computer Group (Scotland) Limited (formerly ICM Computer Group
(Scotland) Limited)**

Report on the Financial Statements

Our opinion

In our opinion the financial statements defined below:

- give a true and fair view of the state of the Company's affairs as at 31 March 2014 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Phoenix IT Computer Group (Scotland) Limited, comprise:

- the Balance Sheet as at 31 March 2014;
- the Profit and Loss Account 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 their preparation is applicable law and United Kingdom Accounting Standards (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.

What an audit of Financial Statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("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.

In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements for the year ended 31 March 2014 to identify material inconsistencies with the audited Financial Statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matter 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 Auditors' Report to the Members of
Phoenix IT Computer Group (Scotland) Limited (formerly ICM Computer Group
(Scotland) Limited)**

..... *continued*

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.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the Directors were not entitled to take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.

Responsibilities for the Financial Statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement, 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 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.



Miles Saunders (Senior Statutory Auditor)

For and on behalf of;

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Milton Keynes

Date: 20 August 2014

**Phoenix IT Computer Group (Scotland) Limited (formerly ICM Computer Group
(Scotland) Limited)**

Profit and Loss Account for the Year Ended 31 March 2014

	Note	2014 £ 000	2013 £ 000
Turnover	2	<u>474</u>	<u>502</u>
Operating profit and profit on ordinary activities before taxation	3	113	147
Tax on profit on ordinary activities	6	<u>(5)</u>	<u>(6)</u>
Profit for the financial year		<u><u>108</u></u>	<u><u>141</u></u>

Continuing operations

All of the company's activities relate to continuing operations.

Total recognised gains and losses

The company has no recognised gains or losses for the year other than the results above. Accordingly, no statement of total recognised gains and losses is presented.

**Phoenix IT Computer Group (Scotland) Limited (formerly ICM Computer Group
(Scotland) Limited)**

(Registration number: SC076501)

Balance Sheet at 31 March 2014

	Note	2014 £ 000	2013 £ 000
Current assets			
Debtors	9	1,286	1,576
Cash at bank and in hand		<u>127</u>	<u>77</u>
		1,413	1,653
Creditors: Amounts falling due within one year	10	<u>(144)</u>	<u>(492)</u>
Net assets		<u>1,269</u>	<u>1,161</u>
Capital and reserves			
Called up share capital	11	107	107
Capital redemption reserve	12	3	3
Profit and loss account	12	<u>1,159</u>	<u>1,051</u>
Shareholder's funds		<u>1,269</u>	<u>1,161</u>

The financial statements and accompanying notes of Phoenix IT Computer Group (Scotland) Limited (registered number SC076501) on pages 6 to 17 were approved by the Board and authorised for issue on 20/05/14 and signed on its behalf by:



.....
J Aikman
Director

**Phoenix IT Computer Group (Scotland) Limited (formerly ICM Computer Group
(Scotland) Limited)**

Notes to the Financial Statements for the Year Ended 31 March 2014

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards. The particular accounting policies adopted, which have been applied consistently throughout the year and the preceding year, are described below.

The financial statements have been prepared under the historical cost convention.

The Company is a wholly owned subsidiary and is included in the consolidated financial statements of Phoenix IT Group plc, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (Revised 1996).

Exemption from preparing consolidated financial statements

The financial statements contain information about Phoenix IT Computer Group (Scotland) Limited as an individual Company and do not contain consolidated financial information as the parent of a group. The Company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its ultimate parent, Phoenix IT Group plc, a company registered in England and Wales.

Going concern

The Company is reliant on its ultimate parent company Phoenix IT Group plc to support the recoverability of its intercompany debtors. The directors of the Company have written confirmation from Phoenix IT Group plc that it will continue to provide the necessary financial support to the Company for a period of no less than 12 months from the date of approval of these financial statements.

After reviewing the availability of group support the directors consider that the Company has adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the financial statements.

**Phoenix IT Computer Group (Scotland) Limited (formerly ICM Computer Group
(Scotland) Limited)**

Notes to the Financial Statements for the Year Ended 31 March 2014

..... *continued*

Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes.

Where a contract contains several service elements, the individual elements are accounted for separately at fair value.

Provision is made for all anticipated contract losses as soon as they are identified.

Contract turnover

For fixed-fee maintenance contracts the turnover arising is spread evenly over the term of the contract. The amount by which turnover differs from payments on account is shown under debtors as accrued income, or under creditors as deferred revenue, as appropriate. Costs relating to the delivery of services under these contracts are charged to the Profit and Loss Account as they arise (typically these contracts are annual and costs arise evenly over the contract term).

If the performance pattern is other than straight line, turnover is recognised as services are provided, usually on an output or consumption basis.

Other turnover

Other turnover is recognised when receivable following delivery of a service.

Tangible fixed assets

Tangible fixed assets are stated at cost less any provision for impairment.

Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives. The periods generally applicable are:

Asset class	Depreciation method and rate
Fixtures and fittings	4 - 10 years

Investments

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

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on timing differences which represent a liability at the balance sheet date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

**Phoenix IT Computer Group (Scotland) Limited (formerly ICM Computer Group
(Scotland) Limited)**

Notes to the Financial Statements for the Year Ended 31 March 2014

..... *continued*

Leases

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

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Pensions

The company contributed to a Group personal pension plan in respect of certain employees. The plan is a defined contribution scheme and the annual charge to the Profit and Loss Account is the contributions payable in the period.

2 Turnover

The whole of turnover is attributable to the principal activity of the Company and arises from customers within the United Kingdom.

3 Operating profit

Operating profit is stated after crediting/(charging):

	2014 £ 000	2013 £ 000
Turnover	474	502
Staff costs	(83)	(72)
Operating lease rentals - land and buildings	(450)	(450)
Other operating income	172	167
Operating profit	<u>113</u>	<u>147</u>

**Phoenix IT Computer Group (Scotland) Limited (formerly ICM Computer Group
(Scotland) Limited)**

Notes to the Financial Statements for the Year Ended 31 March 2014

..... *continued*

4 Auditors' remuneration

	2014 £ 000	2013 £ 000
Fees payable to the Company's auditors for the audit of the Company's financial statements	<u>2</u>	<u>2</u>

5 Staff costs

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

	2014 No.	2013 No.
Distribution	<u>1</u>	<u>1</u>

The aggregate payroll costs were as follows:

	2014 £ 000	2013 £ 000
Wages and salaries	71	61
Social security costs	8	7
Other pension costs	<u>4</u>	<u>4</u>
	<u>83</u>	<u>72</u>

The directors were not remunerated for their services in this Company in the current or prior year.

**Phoenix IT Computer Group (Scotland) Limited (formerly ICM Computer Group
(Scotland) Limited)**

Notes to the Financial Statements for the Year Ended 31 March 2014

..... *continued*

6 Tax on profit on ordinary activities

	2014 £ 000	2013 £ 000
Current tax		
Corporation tax charge	5	5
Adjustments in respect of prior years	<u>(1)</u>	<u>-</u>
UK Corporation tax	4	5
Deferred tax		
Origination and reversal of timing differences	<u>1</u>	<u>1</u>
Total tax on profit on ordinary activities	<u><u>5</u></u>	<u><u>6</u></u>

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is lower than (2013: lower than) the standard rate of corporation tax in the UK of 20% (2013: 20%).

The differences are reconciled below:

	2014 £ 000	2013 £ 000
Profit on ordinary activities before taxation	<u>113</u>	<u>147</u>
Corporation tax at standard rate	22	29
Adjustments in respect of prior years	(1)	-
Group relief claimed not paid for	(30)	(32)
Transfer pricing adjustments	<u>13</u>	<u>8</u>
Total current tax	<u><u>4</u></u>	<u><u>5</u></u>

**Phoenix IT Computer Group (Scotland) Limited (formerly ICM Computer Group
(Scotland) Limited)**

Notes to the Financial Statements for the Year Ended 31 March 2014

..... *continued*

7 Tangible fixed assets

	Fixtures and fittings £ 000
Cost	
At 1 April 2013 and 31 March 2014	473
Accumulated depreciation	
At 1 April 2013 and 31 March 2014	473
Net book value	
At 31 March 2014	-
At 31 March 2013	-

**Phoenix IT Computer Group (Scotland) Limited (formerly ICM Computer Group
(Scotland) Limited)**

Notes to the Financial Statements for the Year Ended 31 March 2014

..... *continued*

8 Investments held as fixed assets

Details of undertakings

At 31 March 2014 the Company directly held 100% of the allotted share capital of the following undertaking:

Subsidiary undertaking (registered in England and Wales)	Holding	Proportion of voting rights and shares held	Principal activity
Criffel Micro Business Systems Limited	Ordinary A	100%	Dormant

9 Debtors

	2014 £ 000	2013 £ 000
Trade debtors	11	-
Amounts owed by group undertakings	1,274	1,554
Deferred tax	1	2
Other debtors	-	20
	<u>1,286</u>	<u>1,576</u>

Deferred tax

The movement in the deferred tax asset in the year is as follows:

	£ 000
At 1 April 2013	2
Deferred tax charged to the profit and loss account	<u>(1)</u>
At 31 March 2014	<u>1</u>

Analysis of deferred tax

	2014 £ 000	2013 £ 000
Difference between accumulated depreciation and amortisation and capital allowances	<u>1</u>	<u>2</u>
	<u>1</u>	<u>2</u>

**Phoenix IT Computer Group (Scotland) Limited (formerly ICM Computer Group
(Scotland) Limited)**

Notes to the Financial Statements for the Year Ended 31 March 2014

..... *continued*

10 Creditors: Amounts falling due within one year

	2014 £ 000	2013 £ 000
Amounts owed to group undertakings	55	305
Corporation tax	10	11
Other taxation and social security	18	-
Accruals and deferred income	61	176
	<u>144</u>	<u>492</u>

11 Called up share capital

Allotted, called up and fully paid shares

	2014 £ 000	2013 £ 000
100,000 (2013: 100,000) Ordinary shares of £1 each	100	100
7,480 (2013: 7,480) Non-voting shares of £1 each	7	7
	<u>107</u>	<u>107</u>

12 Reserves

	Capital redemption reserve £ 000	Profit and loss account £ 000	Total £ 000
At 1 April 2013	3	1,051	1,054
Profit for the financial year	<u>-</u>	<u>108</u>	<u>108</u>
At 31 March 2014	<u>3</u>	<u>1,159</u>	<u>1,162</u>

**Phoenix IT Computer Group (Scotland) Limited (formerly ICM Computer Group
(Scotland) Limited)**

Notes to the Financial Statements for the Year Ended 31 March 2014

..... *continued*

13 Reconciliation of movement in shareholder's funds

	2014 £ 000	2013 £ 000
Profit for the financial year	108	141
Net addition to shareholder's funds	108	141
Shareholder's funds at 1 April	1,161	1,020
Shareholder's funds at 31 March	<u>1,269</u>	<u>1,161</u>

14 Commitments

Operating lease commitments

As at 31 March 2014 the company had annual commitments under non-cancellable operating leases as follows:

	2014 £ 000	2013 £ 000
Land and buildings		
Over five years	<u>450</u>	<u>450</u>

Pension commitments

The Company contributes to a Group personal pension plan in respect of certain employees. The assets of the scheme are held separately from those of the Company in an independently administered fund. The charge for the year was £4,000 (2013: £4,000). Outstanding contributions at 31 March 2014 were £1,000 (2013: £1,000) and are included in other creditors on the balance sheet of Phoenix IT Services Limited, a fellow group undertaking. Phoenix IT Services Limited administers the pension scheme payments on the Company's behalf.

15 Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other wholly owned members of the Group. There were no other transactions with related parties requiring disclosure under FRS 8.

**Phoenix IT Computer Group (Scotland) Limited (formerly ICM Computer Group
(Scotland) Limited)**

Notes to the Financial Statements for the Year Ended 31 March 2014

..... continued

16 Ultimate controlling party

Phoenix IT Managed Services Limited (formerly Servo Limited) is the Company's immediate parent undertaking. The directors consider that the ultimate parent company and controlling related party of this company is Phoenix IT Group plc.

The largest and smallest group of undertakings for which group financial statements have been drawn up is that headed by Phoenix IT Group plc, a company incorporated in England and Wales. Copies of the financial statements are available from Companies House, Crown Way, Cardiff, CF14 3UZ.