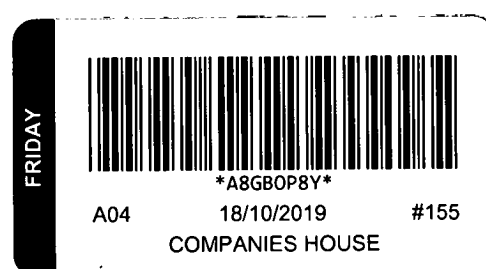


Registration number: 02200765

**ABBAY BUSINESS EQUIPMENT LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM 1 JANUARY 2018 TO 31 MARCH 2019**



## **ABBHEY BUSINESS EQUIPMENT LIMITED**

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## **ABBEY BUSINESS EQUIPMENT LIMITED**

### **COMPANY INFORMATION**

<b>Directors</b>	A Bond
	P Bond
	E Robinson
	J Royston
<b>Registered office</b>	Caxton House Watermark Way Foxholes Business Park Hertford SG13 7TZ
<b>Auditors</b>	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

## **ABBEEY BUSINESS EQUIPMENT LIMITED**

### **STRATEGIC REPORT FOR THE PERIOD FROM 1 JANUARY 2018 TO 31 MARCH 2019**

The directors present their strategic report for the period from 1 January 2018 to 31 March 2019.

#### **Principal activity**

On 31 March 2019, as described in note 6 and 18 to these financial statements, the office interior business was transferred to the parent company by way of a dividend in specie.

For the period from 1 January 2018 to 31 March 2019 the principal activity of the company was that of providing print solutions, office technology and office interior fit outs. From 31 March 2019 the continuing principal activity of the company is the provision of print solutions and office technology.

#### **Fair review of the business**

The results for the period, which are set out in the profit and loss account, show turnover of £16,081,098 (2017 - £11,367,596) and an operating profit of £1,047,257 (2017 - £999,894). At 31 March 2019 the company had net assets of £80,713 (2017 - £1,038,764). The directors consider the performance for the year and the financial position at the year end to be satisfactory given the acquisition of the "Copiers" business by Vision Group (Holdings) Limited.

On 31 March 2019 the furniture and interior fit out trade and assets were hived up to the existing parent company Abbey Business Interiors Limited (formerly Abbey Business Equipment Holdings Limited). Immediately following the hive up the entire shareholding of the company was acquired by Vision Group (Holdings) Limited.

From the 24 June 2019, the "Service" contracts of Abbey Business Equipment and fulfilment of these contracts were hived up to Vision Office Technical Services Ltd. All new service contracts originating from customers previously of Abbey have been in the name of Vision Office Technical Services.

Some equipment sales from existing Abbey customers have been through Vision Office Automation Ltd with all new sales, even from existing customers to be conducted through Vision Office Automation with effect from 1 October 2019.

The staff of the business were subject to TUPE and were transferred to one of the above Vision business from 1 September 2019.

It is the intention that any remaining contracts with Abbey are transferred to a Vision Company as soon as possible.

#### **Key performance indicators**

Given the nature of the business, the company's directors are of the opinion that key performance indicators are important. The company uses a number of indicators to monitor and improve the development, performance and position of the business. Indicators are reviewed and altered to meet changes in the internal and external environments.

The main key performance indicator is the gross profit margin which was 11.7% (2017 - 15.1%).

#### **Principal risks and uncertainties**

The management of the company and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to competition from other providers of office supplies and IT services and the challenges arising as a result of the current economic climate.

Approved by the Board on 4/10/19 and signed on its behalf by:



J Royston  
Director

## **ABBHEY BUSINESS EQUIPMENT LIMITED**

### **DIRECTORS' REPORT FOR THE PERIOD FROM 1 JANUARY 2018 TO 31 MARCH 2019**

The directors present their report and the financial statements for the period from 1 January 2018 to 31 March 2019.

#### **Directors of the company**

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

D Giles (resigned 2 April 2019)  
S Layer (resigned 2 April 2019)  
D Stevenson (resigned 2 April 2019)  
M Stradling (resigned 2 April 2019)  
T Harris (resigned 2 April 2019)  
R Hastings (resigned 2 April 2019)

The following directors were appointed after the period end:

A Bond (appointed 2 April 2019)  
P Bond (appointed 2 April 2019)  
E Robinson (appointed 2 April 2019)  
J Royston (appointed 2 April 2019)

#### **Going concern**

In accordance with the Financial Reporting Council's 'Going Concern and Liquidity Risk: Guidance for the Directors of UK Companies 2009' the directors of all companies are required to provide disclosures regarding the adoption of the going concern basis of accounting.

The company has sufficient financial resources available and continues to trade profitably generating cash. The directors expect that these trends will continue. The directors therefore have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and have continued to adopt the going concern basis in preparing the financial statements.

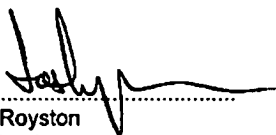
#### **Disclosure of information to the auditors**

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

#### **Reappointment of auditors**

Hazlewoods LLP have expressed their willingness to continue in office.

Approved by the Board on 4/10/19 and signed on its behalf by:

  
J Royston  
Director

## **ABBEY BUSINESS EQUIPMENT LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

- select suitable accounting policies and apply them consistently;
- make judgements and accounting 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; 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.

## **ABBEY BUSINESS EQUIPMENT LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBEY BUSINESS EQUIPMENT LIMITED**

#### **Opinion**

We have audited the financial statements of Abbey Business Equipment Limited (the 'company') for the period from 1 January 2018 to 31 March 2019, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

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

## ABBEY BUSINESS EQUIPMENT LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBEY BUSINESS EQUIPMENT LIMITED

#### Matters on which we are required to report by exception

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

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, 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; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

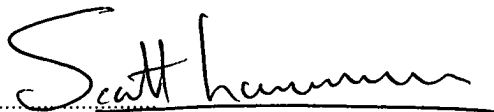
#### Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of this report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in 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.



Scott Lawrence (Senior Statutory Auditor)  
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House  
Bayshill Road  
Cheltenham  
GL50 3AT

Date: 16/10/19

**ABBEY BUSINESS EQUIPMENT LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM 1 JANUARY 2018 TO 31 MARCH 2019**

		Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
		1 January 2018 to 31 March 2019 £	1 January 2018 to 31 March 2019 £	1 January 2018 to 31 March 2019 £	Year ended 31 December 2017 £	Year ended 31 December 2017 £	Year ended 31 December 2017 £
	Note						
Turnover	3	5,760,504	10,320,594	16,081,098	4,896,950	6,470,646	11,367,596
Cost of sales		<u>(4,913,410)</u>	<u>(9,283,746)</u>	<u>(14,197,156)</u>	<u>(4,082,833)</u>	<u>(5,571,099)</u>	<u>(9,653,932)</u>
Gross profit		847,094	1,036,848	1,883,942	814,117	899,547	1,713,664
Administrative expenses		<u>(453,999)</u>	<u>(382,686)</u>	<u>(836,685)</u>	<u>(356,045)</u>	<u>(357,725)</u>	<u>(713,770)</u>
Operating profit	4	393,095	654,162	1,047,257	458,072	541,822	999,894
Interest receivable and similar income		102	15	117	40	-	40
Interest payable and similar charges	5	(70,305)	-	(70,305)	(40,624)	-	(40,624)
Exceptional costs of restructuring and reorganisation	6	<u>(789,963)</u>	<u>-</u>	<u>(789,963)</u>	<u>-</u>	<u>-</u>	<u>-</u>
(Loss)/profit before tax		(467,071)	654,177	187,106	417,488	541,822	959,310
Taxation	9	<u>(67,457)</u>	<u>(136,667)</u>	<u>(204,124)</u>	<u>(78,652)</u>	<u>(102,076)</u>	<u>(180,728)</u>
(Loss)/profit for the financial period		<u><u>(534,528)</u></u>	<u><u>517,510</u></u>	<u><u>(17,018)</u></u>	<u><u>338,836</u></u>	<u><u>439,746</u></u>	<u><u>778,582</u></u>

The company has no other comprehensive income for the period.

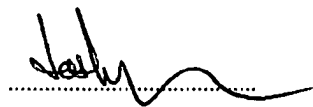
The notes on pages 11 to 22 form an integral part of these financial statements.

**ABBHEY BUSINESS EQUIPMENT LIMITED**

**(REGISTRATION NUMBER: 02200765)  
BALANCE SHEET AS AT 31 MARCH 2019**

	Note	31 March 2019 £	31 December 2017 £
<b>Fixed assets</b>			
Intangible assets	10	-	3,580
Tangible assets	11	-	91,195
Investments	12	-	200
		<u>-</u>	<u>94,975</u>
<b>Current assets</b>			
Stocks	13	266,883	330,732
Debtors	14	754,631	3,504,806
Cash at bank and in hand		<u>388,758</u>	<u>68,929</u>
		1,410,272	3,904,467
Creditors: Amounts falling due within one year	15	<u>(1,329,559)</u>	<u>(2,960,678)</u>
<b>Net current assets</b>		<u>80,713</u>	<u>943,789</u>
<b>Net assets</b>		<u>80,713</u>	<u>1,038,764</u>
<b>Capital and reserves</b>			
Called up share capital	17	1,000	1,000
Retained earnings		<u>79,713</u>	<u>1,037,764</u>
<b>Total equity</b>		<u>80,713</u>	<u>1,038,764</u>

Approved and authorised by the Board on 4/10/19 and signed on its behalf by:



J Royston  
Director

The notes on pages 11 to 22 form an integral part of these financial statements.

**ABBEY BUSINESS EQUIPMENT LIMITED**

**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 1 JANUARY 2018 TO 31 MARCH 2019**

	<b>Share capital</b> £	<b>Profit and loss</b> <b>account</b> £	<b>Total</b> £
At 1 January 2017	1,000	1,042,117	1,043,117
Total comprehensive income	-	778,582	778,582
Dividends	-	(782,935)	(782,935)
At 31 December 2017	<u>1,000</u>	<u>1,037,764</u>	<u>1,038,764</u>
	<b>Share capital</b> £	<b>Profit and loss</b> <b>account</b> £	<b>Total</b> £
At 1 January 2018	1,000	1,037,764	1,038,764
Total comprehensive income	-	(17,018)	(17,018)
Dividends	-	(941,033)	(941,033)
At 31 March 2019	<u>1,000</u>	<u>79,713</u>	<u>80,713</u>

The notes on pages 11 to 22 form an integral part of these financial statements.

**ABBEEY BUSINESS EQUIPMENT LIMITED**

**STATEMENT OF CASH FLOWS FOR THE PERIOD FROM 1 JANUARY 2018 TO 31 MARCH 2019**

	Note	2019 £	2017 £
<b>Cash flows from operating activities</b>			
(Loss)/profit for the period		(17,018)	778,582
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	4	22,347	24,319
Loss on disposal of tangible assets		13,459	-
Finance income		(117)	(40)
Finance costs	5	70,305	40,624
Waiver of intercompany loans	6	789,963	-
Income tax expense	9	204,124	180,728
		<u>1,083,063</u>	<u>1,024,213</u>
Working capital adjustments			
(Increase)/decrease in stocks		(11,444)	27,715
Decrease in trade debtors		715,490	222,224
Decrease in trade creditors		<u>(786,646)</u>	<u>(589,255)</u>
Cash generated from operations		1,000,463	684,897
Income taxes paid		<u>(276,751)</u>	<u>(192,751)</u>
Net cash flow from operating activities		<u>723,712</u>	<u>492,146</u>
<b>Cash flows from investing activities</b>			
Interest received		<u>117</u>	<u>40</u>
Net cash flows from investing activities		<u>117</u>	<u>40</u>
<b>Cash flows from financing activities</b>			
Interest paid	5	(70,305)	(40,624)
Group financing received		264,519	-
Dividends paid	18	<u>(598,214)</u>	<u>(782,935)</u>
Net cash flows from financing activities		<u>(404,000)</u>	<u>(823,559)</u>
Net increase/(decrease) in cash and cash equivalents		319,829	(331,373)
Cash and cash equivalents at 1 January		<u>68,929</u>	<u>400,302</u>
Cash and cash equivalents at 31 March		<u><u>388,758</u></u>	<u><u>68,929</u></u>

The notes on pages 11 to 22 form an integral part of these financial statements.

## **ABBEY BUSINESS EQUIPMENT LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2018 TO 31 MARCH 2019**

#### **1 General information**

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Caxton House  
Watermark Way  
Foxholes Business Park  
Hertford  
SG13 7TZ

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

The financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

##### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

##### **Critical accounting judgements and key source of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period the revision and future periods if the revision affects both current and future periods.

##### **Judgements**

No significant judgements have been identified by management in preparing these financial statements.

##### **Key sources of estimation uncertainty**

No key sources of estimation uncertainty have been identified by management in preparing these financial statements other than those detailed in these accounting policies.

## **ABBEEY BUSINESS EQUIPMENT LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2018 TO 31 MARCH 2019**

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

#### **Tax**

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

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

#### **Tangible assets**

Tangible assets is stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Improvements to property	20% on reducing balance
Office/Computer equipment	20% on reducing balance
Motor vehicles	20% on reducing balance

#### **Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2009, is being amortised on a reducing balance basis at 20%.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand and at bank and an invoice discounting facility in credit.

#### **Trade debtors**

Trade debtors are amounts due from customers for goods sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

#### **Stocks**

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

## **ABBEEY BUSINESS EQUIPMENT LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2018 TO 31 MARCH 2019**

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

#### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### **Financial instruments**

##### **Classification**

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 on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

## **ABBEY BUSINESS EQUIPMENT LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2018 TO 31 MARCH 2019**

#### **Recognition and measurement**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when, there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### **Impairment**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

##### **Non-financial assets:**

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

##### **Financial assets:**

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

## ABBEY BUSINESS EQUIPMENT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2018 TO 31 MARCH 2019

#### 3 Revenue

The analysis of the company's revenue for the period is as follows:

	1 January 2018 to 31 March 2019 £	Year ended 31 December 2017 £
Sale of goods	12,509,128	8,296,526
Rendering of services	3,571,970	3,071,070
	<u>16,081,098</u>	<u>11,367,596</u>

All turnover is generated from activities which take place in the United Kingdom.

#### 4 Operating profit

Arrived at after charging

	1 January 2018 to 31 March 2019 £	Year ended 31 December 2017 £
Depreciation of tangible assets	21,750	22,799
Goodwill amortisation	597	1,520
Operating lease expense - property	164,645	126,252
Operating lease expense - other	148,291	132,942
Auditor's remuneration	<u>13,570</u>	<u>8,200</u>

#### 5 Interest payable and similar charges

	1 January 2018 to 31 March 2019 £	Year ended 31 December 2017 £
Other finance costs	<u>70,305</u>	<u>40,624</u>

#### 6 Exceptional items

	1 January 2018 to 31 March 2019 £	Year ended 31 December 2017 £
Exceptional costs of restructuring and reorganisation	<u>789,963</u>	<u>-</u>

On 31 March 2019, the entire share capital of Abbey Business Equipment Limited was acquired by Vision Group (Holdings) Limited. Immediately prior to the transaction the intercompany debt with Abbey Business Interiors Limited (Formerly Abbey Business Equipment Holdings Limited) was waived and the office interior fit out business was transferred to Abbey Business Interiors Limited by way of a dividend in specie as described in note 18 to these financial statements.

# **ABBEY BUSINESS EQUIPMENT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2018 TO 31 MARCH 2019**

### **7 Staff costs**

The aggregate payroll costs (including directors' remuneration) were as follows:

	<b>1 January 2018 to 31 March 2019 £</b>	<b>Year ended 31 December 2017 £</b>
Wages and salaries	2,239,368	1,692,169
Social security costs	258,748	175,352
Pension costs	40,442	22,297
Redundancy costs	-	30,100
	<u>2,538,558</u>	<u>1,919,918</u>

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

	<b>1 January 2018 to 31 March 2019 No.</b>	<b>Year ended 31 December 2017 No.</b>
Production	5	8
Administration and support	13	12
Sales, marketing and distribution	42	40
	<u>60</u>	<u>60</u>

### **8 Directors' remuneration**

The directors' remuneration for the period was as follows:

	<b>1 January 2018 to 31 March 2019 £</b>	<b>Year ended 31 December 2017 £</b>
Remuneration (including benefits in kind)	<u>140,547</u>	<u>102,741</u>

# **ABBEY BUSINESS EQUIPMENT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2018 TO 31 MARCH 2019**

### **9 Taxation**

Tax charged/(credited) in the profit and loss account

	<b>1 January 2018 to 31 March 2019 £</b>	<b>Year ended 31 December 2017 £</b>
<b>Current taxation</b>		
UK corporation tax	200,673	187,701
UK corporation tax adjustment to prior periods	3,451	(6,973)
	<u>204,124</u>	<u>180,728</u>

The tax on profit before tax for the period is higher than the standard rate of corporation tax in the UK (2017 - lower than the standard rate of corporation tax in the UK) of 19% (2017 - 19.25%).

The differences are reconciled below:

	<b>1 January 2018 to 31 March 2019 £</b>	<b>Year ended 31 December 2017 £</b>
Profit before tax	<u>187,106</u>	<u>959,310</u>
Corporation tax at standard rate	35,550	184,667
Non deductible expenses	159,460	3,935
Impact on tax charge due to unprovided deferred tax	6,230	(868)
Increase/(decrease) in current tax from adjustment for prior periods	3,451	(6,973)
Tax decrease from effect of capital allowances and depreciation	(567)	-
Other differences	-	(33)
Total tax charge	<u>204,124</u>	<u>180,728</u>

# **ABBEEY BUSINESS EQUIPMENT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2018 TO 31 MARCH 2019**

### **10 Intangible assets**

	<b>Goodwill £</b>
<b>Cost or valuation</b>	
At 1 January 2018	25,000
Disposals	<u>(25,000)</u>
At 31 March 2019	<u>-</u>
<b>Amortisation</b>	
At 1 January 2018	21,420
Amortisation charge	597
Amortisation eliminated on disposals	<u>(22,017)</u>
At 31 March 2019	<u>-</u>
<b>Carrying amount</b>	
At 31 March 2019	<u>-</u>
At 31 December 2017	<u>3,580</u>

### **11 Tangible assets**

	<b>Improvements to property £</b>	<b>Office/ Computer equipment £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost or valuation</b>				
At 1 January 2018	297,502	162,371	35,350	495,223
Disposals	-	(102,550)	(4,000)	(106,550)
Transfers	<u>(297,502)</u>	<u>(59,821)</u>	<u>(31,350)</u>	<u>(388,673)</u>
At 31 March 2019	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Depreciation</b>				
At 1 January 2018	234,498	148,133	21,397	404,028
Charge for the period	15,751	2,560	3,439	21,750
Eliminated on disposal	-	(92,565)	(3,509)	(96,074)
Transfers	<u>(250,249)</u>	<u>(58,128)</u>	<u>(21,327)</u>	<u>(329,704)</u>
At 31 March 2019	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Carrying amount</b>				
At 31 March 2019	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2017	<u>63,004</u>	<u>14,238</u>	<u>13,953</u>	<u>91,195</u>

The transfers formed part of the dividend in specie described in note 6 and 18 of these financial statements.

# **ABBEY BUSINESS EQUIPMENT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2018 TO 31 MARCH 2019**

### **12 Investments in subsidiaries**

<b>Subsidiaries</b>	<b>£</b>
<b>Cost or valuation</b>	
At 1 January 2018	200
Transfer	(200)
At 31 March 2019	-
<b>Carrying amount</b>	
At 31 March 2019	-
At 31 December 2017	200

The company held 100% of the voting rights in the ordinary share capital of Abbey Leisure Interiors Limited (formerly Abbey Business Finance Limited) and Abbey Office Interiors Limited (formerly Abbey Copier Engineering Services Limited), which are dormant companies incorporated in England and Wales. As at 31 March 2019, these investments were transferred to Abbey Business Interiors Limited (formerly Abbey Business Equipment Holdings Limited) as part of the hive up of trade and assets described in note 18 to these financial statements.

### **13 Stocks**

	<b>31 March 2019</b>	<b>31 December 2017</b>
	<b>£</b>	<b>£</b>
Finished goods and goods for resale	266,883	330,732

### **14 Debtors**

	<b>31 March 2019</b>	<b>31 December 2017</b>
	<b>£</b>	<b>£</b>
Trade debtors	673,062	2,239,085
Amounts owed by group undertaking	-	1,077,779
Other debtors	-	1,000
Prepayments	81,569	186,942
	<u>754,631</u>	<u>3,504,806</u>

# **ABBAY BUSINESS EQUIPMENT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2018 TO 31 MARCH 2019**

### **15 Creditors**

	Note	31 March 2019 £	31 December 2017 £
<b>Due within one year</b>			
Loans and borrowings	16	-	649,305
Trade creditors		824,350	1,876,298
Amounts due to related parties	21	264,519	-
Social security and other taxes		155,870	217,643
Other creditors		59,746	119,731
Corporation tax liability		25,074	97,701
		<u>1,329,559</u>	<u>2,960,678</u>

### **16 Loans and borrowings**

	31 March 2019 £	31 December 2017 £
<b>Current loans and borrowings</b>		
Factoring creditor	<u>-</u>	<u>649,305</u>

In respect of the factoring creditor, there is a fixed and floating charge over the assets of the company.

### **17 Share capital**

#### **Allotted, called up and fully paid shares**

	31 March 2019 No.	£	31 December 2017 No.	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

### **18 Dividends**

	31 March 2019 £	31 December 2017 £
Ordinary dividend paid	598,214	782,935
Dividend in specie	<u>342,819</u>	<u>-</u>
	<u>941,033</u>	<u>782,935</u>

On 31 March 2019, the company transferred by way of a dividend in specie, the trade and assets of the office interior fit out business to its subsidiary immediately before the sale described in note 6.

## ABBHEY BUSINESS EQUIPMENT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2018 TO 31 MARCH 2019

#### 19 Obligations under leases and hire purchase contracts

##### Operating leases

The total of future minimum lease payments is as follows:

	31 March 2019	31 December 2017
	£	£
Not later than one year	48,686	214,911
Later than one year and not later than five years	11,114	212,750
	<u>59,800</u>	<u>427,661</u>

The amount of non-cancellable operating lease payments recognised as an expense during the period was £312,936 (2017 - £259,194).

#### 20 Pension and other schemes

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £40,442 (2017 - £22,297).

Contributions totalling £915 (2017 - £4,150) were payable to the scheme at the end of the period and are included in creditors.

#### 21 Related party transactions

##### The Abbey Business Retirement Benefit Scheme

(A Company with directors in common)

Mr. D. Stevenson, Mr. M. Stradling and Mr. S. Layer, who are directors of the Company, are also trustees and beneficiaries of 'the Scheme'. The Scheme charged rent of £137,500 (2017 - £100,000) to the Company in respect of the premises owned by the Scheme and used by the Company as office premises. At the balance sheet date the company owed £nil (2017 - £nil).

#### 22 Parent and ultimate parent undertaking

The company's ultimate and immediate parent was Abbey Business Interiors Limited (formerly Abbey Business Equipment Holdings Limited), a company incorporated in England and Wales, until 31 March 2019. On this date the entire shareholding was sold and the company's ultimate and immediate parent became Vision Group (Holdings) Limited, incorporated in England and Wales.

## **ABBEY BUSINESS EQUIPMENT LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2018 TO 31 MARCH 2019**

#### **23 Non adjusting events after the financial period**

From the 24 June 2019, the "Service" contracts of Abbey Business Equipment and fulfilment of these contracts were hived up to Vision Office Technical Services Ltd. All new service contracts originating from customers previously of Abbey have been in the name of Vision Office Technical Services.

Some equipment sales from existing Abbey customers have been through Vision Office Automation Ltd with all new sales, even from existing customers to be conducted through Vision Office Automation with effect from 1 October 2019.

The staff of the business were subject to TUPE and were transferred to one of the above Vision business from 1 September 2019.

It is the intention that any remaining contracts with Abbey are transferred to a Vision Company as soon as possible.