

Registered number: 3998372

STORM TECHNOLOGIES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

for the year ended 31 December 2013

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STORM TECHNOLOGIES LIMITED

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STORM TECHNOLOGIES LIMITED

DIRECTORS' REPORT for the year ended 31 December 2013

The directors present their report and the financial statements for the year ended 31 December 2013

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 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 then apply them consistently,
- make judgments 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 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.

PRINCIPAL ACTIVITIES

The company's principal activity continues to be the supply of computer hardware and application software.

BUSINESS REVIEW

2013 has been a pleasing year with increases in sales and the maintenance of margins. Significant investment was made during the year, in the infrastructure and personnel of the company, and the positive results of this are already evident in the first months of 2014.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £1,577,518 (2012 - £859,835).

An interim dividend of £1,299,991 (2012 £500,038) was paid during the year and the directors do not recommend a final dividend.

STORM TECHNOLOGIES LIMITED

DIRECTORS' REPORT for the year ended 31 December 2013

DIRECTORS

The directors who served during the year were

J R Brooker
S L Dearn (resigned 13 February 2014)
G Ware
C Elston (resigned 28 February 2014)

FUTURE DEVELOPMENTS

Since the year end the company has achieved increased sales targets and is looking forward to a successful 2014

FINANCIAL INSTRUMENTS

The company's financial instruments comprise cash and a debt factoring facility. The main risks arising from these financial instruments are interest rate risk and liquidity risk. The policies for managing these risks are regularly reviewed and agreed by the board. It is and has been throughout the period under review the company's policy that no trading in financial instruments shall be undertaken.

The company's debt factoring facility carries interest at a pre-set margin over bank base rate. Funds available are based on an agreed percentage of trade debtors, subject to an overall maximum facility. This method of funding provides liquidity based on the company's activity and growth which is, in the opinion of the directors, the most appropriate method of funding a rapidly growing business. This facility is regularly monitored by the board with regard to both liquidity and interest rate.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The company provides a guarantee for the bank facilities of Storm Procurement Limited, a company in which Mr J Brooker is a director and shareholder.

PROVISION OF INFORMATION TO AUDITORS

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

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

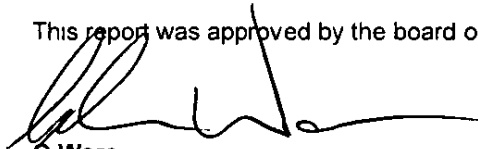
STORM TECHNOLOGIES LIMITED

DIRECTORS' REPORT
for the year ended 31 December 2013

AUDITORS

The auditors, Wise Accountants, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on 13 March 2014 and signed on its behalf



G Ware
Director

STORM TECHNOLOGIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF STORM TECHNOLOGIES LIMITED

We have audited the financial statements of Storm Technologies Limited for the year ended 31 December 2013, set out on pages 6 to 19. 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).

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 Auditors' 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 AUDITORS

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.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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 Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2013 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.

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.

STORM TECHNOLOGIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF STORM TECHNOLOGIES LIMITED

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, 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



C J Wise (Senior statutory auditor)

for and on behalf of
Wise Accountants

Chartered Accountants
Registered Auditors

The Old Star
Church Street
Princes Risborough
Bucks

13 March 2014

STORM TECHNOLOGIES LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2013

	Note	2013 £	2012 £
TURNOVER	1,2	56,316,899	50,892,615
Cost of sales		<u>(46,856,784)</u>	<u>(42,196,231)</u>
GROSS PROFIT		9,460,115	8,696,384
Administrative expenses		<u>(7,343,371)</u>	<u>(7,540,860)</u>
OPERATING PROFIT	3	2,116,744	1,155,524
Interest receivable and similar income		29	-
Interest payable and similar charges	6	<u>(16,140)</u>	<u>(13,520)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,100,633	1,142,004
Tax on profit on ordinary activities	7	<u>(523,115)</u>	<u>(282,169)</u>
PROFIT FOR THE FINANCIAL YEAR	15	<u>£ 1,577,518</u>	<u>£ 859,835</u>

All amounts relate to continuing operations

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

The notes on pages 9 to 19 form part of these financial statements

STORM TECHNOLOGIES LIMITED
Registered number 3998372

BALANCE SHEET
as at 31 December 2013

	Note	£	2013 £	£	2012 £
FIXED ASSETS					
Tangible assets	8		873,077		1,071,022
CURRENT ASSETS					
Stocks	9	567,491		645,295	
Debtors	10	13,016,642		10,724,120	
Cash at bank and in hand		451,331		419,762	
			<u>14,035,464</u>	<u>11,789,177</u>	
CREDITORS , amounts falling due within one year	11	12,572,645)		10,806,633)	
NET CURRENT ASSETS			<u>1,462,819</u>		<u>982,544</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,335,896</u>		<u>2,053,566</u>
CREDITORS amounts falling due after more than one year	12		-		(10,408)
PROVISIONS FOR LIABILITIES					
Deferred tax	13		(83,006)		(67,795)
NET ASSETS			<u>£ 2,252,890</u>		<u>£ 1,975,363</u>
CAPITAL AND RESERVES					
Called up share capital	14		77		77
Profit and loss account	15		<u>2,252,813</u>		<u>1,975,286</u>
SHAREHOLDERS' FUNDS	16		<u>£ 2,252,890</u>		<u>£ 1,975,363</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 13 March 2014


J R Brooker
Director

The notes on pages 8 to 19 form part of these financial statements

STORM TECHNOLOGIES LIMITED

CASH FLOW STATEMENT
for the year ended 31 December 2013

	Note	2013 £	2012 £
Net cash flow from operating activities	18	1,201,570	438,342
Returns on investments and servicing of finance	19	(16,111)	(13,520)
Taxation	19	(296,826)	(539,001)
Capital expenditure and financial investment	19	(12,291)	(53,503)
Equity dividends paid/Share capital redeemed		(1,299,991)	(500,038)
CASH OUTFLOW BEFORE FINANCING		(423,649)	(667,720)
Financing	19	392,131	(81,490)
DECREASE IN CASH IN THE YEAR		£ (31,518)	£ (749,210)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
for the year ended 31 December 2013

	2013 £	2012 £
Decrease in cash in the year	(31,518)	(749,210)
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing	(392,131)	81,490
MOVEMENT IN NET DEBT IN THE YEAR	(423,649)	(667,720)
Net debt at 1 January 2013	(3,437,016)	(2,769,296)
NET DEBT AT 31 DECEMBER 2013	£ (3,860,665)	£ (3,437,016)

The notes on pages 9 to 19 form part of these financial statements

STORM TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2013

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

S/Term Leasehold Property	-	15-5% reducing balance
Plant & machinery	-	25% reducing balance and straight line
Motor vehicles	-	25% reducing balance
Fixtures & fittings	-	25% reducing balance and straight line
Office equipment	-	25-50% reducing balance and straight line

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

STORM TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2013

1 ACCOUNTING POLICIES (continued)

1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are discounted

1.8 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and loss account

1.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

STORM TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2013

2. TURNOVER

The whole of the turnover is attributable to the sale of Information Technology equipment and associated technical services

A geographical analysis of turnover is as follows

	2013 £	2012 £
United Kingdom	52,432,963	50,015,878
Rest of European Union	945,658	809,247
Rest of world	2,938,278	67,490
	<u>£ 56,316,899</u>	<u>£ 50,892,615</u>

3. OPERATING PROFIT

The operating profit is stated after charging

	2013 £	2012 £
Depreciation of tangible fixed assets		
- owned by the company	56,297	200,588
- held under finance leases	13,651	35,532
Auditors' remuneration	25,000	20,000
Operating lease rentals		
- other operating leases	253,667	316,205
Difference on foreign exchange	44,027	1,507
	<u>292,542</u>	<u>573,832</u>

STORM TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2013

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2013 £	2012 £
Wages and salaries	5,516,724	5,157,547
Social security costs	674,302	630,576
Other pension costs	18,063	18,052
	<u>£ 6,209,089</u>	<u>£ 5,806,175</u>

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

	2013 No	2012 No
Directors	4	4
Sales, technical & administration	87	91
	<u>91</u>	<u>95</u>

5. DIRECTORS' REMUNERATION

	2013 £	2012 £
Emoluments including benefits in kind	<u>£ 514,567</u>	<u>£ 429,492</u>
Company pension contributions to defined contribution pension schemes	<u>£ 18,063</u>	<u>£ 18,052</u>

During the year retirement benefits were accruing to 2 directors (2012 - 2) in respect of defined contribution pension schemes

The highest paid director received remuneration of £238,161 (2012 - £232,108)

6. INTEREST PAYABLE

	2013 £	2012 £
On bank loans and overdrafts	-	480
On finance leases and hire purchase contracts	16,140	13,040
	<u>£ 16,140</u>	<u>£ 13,520</u>

STORM TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2013

7. TAXATION

	2013 £	2012 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	507,904	296,826
Deferred tax (see note 13)		
Origination and reversal of timing differences	15,211	(14,657)
Tax on profit on ordinary activities	<u>£ 523,115</u>	<u>£ 282,169</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2012 - *higher than*) the standard rate of corporation tax in the UK of 23% (2012 - 24%) The differences are explained below

	2013 £	2012 £
Profit on ordinary activities before tax	<u>£ 2,100,633</u>	<u>£ 1,142,004</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26% (2012 - 24%)	483,146	274,081
Effects of:		
Depreciation for the year (lower than)/in excess of capital allowances	24,758	22,745
Current tax charge for the year (see note above)	<u>£ 507,904</u>	<u>£ 296,826</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges

STORM TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2013

8. TANGIBLE FIXED ASSETS

	S/Term Leasehold Property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Office equipment £	Total £
Cost						
At 1 January 2013	1,005,343	4,612	220,590	233,463	310,317	1,774,325
Additions	-	-	-	3,341	16,377	19,718
Disposals	-	-	(67,984)	-	-	(67,984)
At 31 December 2013	1,005,343	4,612	152,606	236,804	326,694	1,726,059
Depreciation						
At 1 January 2013	226,115	2,552	146,282	167,099	161,255	703,303
Charge for the year	121,449	515	14,317	16,689	38,427	191,397
On disposals	-	-	(41,718)	-	-	(41,718)
At 31 December 2013	347,564	3,067	118,881	183,788	199,682	852,982
Net book value						
At 31 December 2013	£ 657,779	£ 1,545	£ 33,725	£ 53,016	£ 127,012	£ 873,077
At 31 December 2012	£ 779,228	£ 2,060	£ 74,308	£ 66,364	£ 149,062	£ 1,071,022

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

	2013 £	2012 £
Motor vehicles	7,014	51,294
Furniture, fittings and equipment	33,938	55,301
	£ 40,952	£ 106,595

9. STOCKS

	2013 £	2012 £
Finished goods and goods for resale	£ 567,491	£ 645,295

STORM TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2013

10. DEBTORS

	2013 £	2012 £
Trade debtors	9,027,903	7,477,067
Other debtors	3,878,400	3,093,841
Prepayments and accrued income	110,339	153,212
	<u>£ 13,016,642</u>	<u>£ 10,724,120</u>

Trade debtors include £8,285,857 (2012 £7,174,968) of discounted debts outstanding at the balance sheet date. Included within other debtors due within one year are loans to the following directors: Mr J R Brooker £2,822,457 (2012 £1,885,933) the maximum outstanding was £2,822,457, Mr S L Dearn £28,460 (2012 £21,947) The maximum outstanding was £28,460

11. CREDITORS.

Amounts falling due within one year

	2013 £	2012 £
Advance sales accrual	-	299,849
Net obligations under finance leases and hire purchase contracts	450,168	47,629
Trade creditors	5,806,150	5,083,710
Corporation tax	507,904	296,826
Social security and other taxes	660,036	637,445
Proceeds of sales ledger funding	3,861,828	3,798,741
Other creditors	203,892	136,102
Accruals and deferred income	1,082,667	506,331
	<u>£ 12,572,645</u>	<u>£ 10,806,633</u>

Of the creditors falling due within and after more than one year, the proceeds of sales ledger funding £3,861,828 (2012 £3,798,741) and net obligations under finance leases and hire purchase contracts totaling £450,168 (2012 £58,036) are secured. Sales ledger funding is secured on underlying debtors and hire purchase liabilities on the assets financed.

12. CREDITORS

Amounts falling due after more than one year

	2013 £	2012 £
Net obligations under finance leases and hire purchase contracts	£ -	£ 10,408

Obligations under finance leases and hire purchase contracts, included above, are payable as follows

	2013 £	2012 £
Between one and five years	£ -	£ 10,408

STORM TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2013

13. DEFERRED TAXATION

	2013 £	2012 £
At beginning of year	67,795	82,452
Charge for/(released during) year	15,211	(14,657)
	<u>£ 83,006</u>	<u>£ 67,795</u>

The provision for deferred taxation is made up as follows

	2013 £	2012 £
Accelerated/(decelerated) capital allowances	<u>£ 83,006</u>	<u>£ 67,795</u>

14. SHARE CAPITAL

	2013 £	2012 £
Allotted, called up and fully paid		
77 Ordinary shares of £1 each	<u>£ 77</u>	<u>£ 77</u>

15. RESERVES

	Profit and loss account £
At 1 January 2013	1,975,286
Profit for the year	1,577,518
Dividends Equity capital	(1,299,991)
At 31 December 2013	<u>£ 2,252,813</u>

16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2013 £	2012 £
Opening shareholders' funds	1,975,363	1,615,566
Profit for the year	1,577,518	859,835
Dividends (Note 17)	(1,299,991)	(500,038)
Closing shareholders' funds	<u>£ 2,252,890</u>	<u>£ 1,975,363</u>

STORM TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2013

17 DIVIDENDS AND REDEMPTION OF SHARES

	2013 £	2012 £
Dividends paid on equity capital	£ 1,299,991	£ 500,038

18 NET CASH FLOW FROM OPERATING ACTIVITIES

	2013 £	2012 £
Operating profit	2,116,744	1,155,524
Amortisation of short leasehold	121,449	143,531
Depreciation of tangible fixed assets	69,948	92,591
Loss on disposal of tangible fixed assets	18,839	-
Decrease in stocks	77,804	64,500
Increase in debtors	(2,292,522)	(788,499)
Increase/(decrease) in creditors	1,089,308	(229,305)
Net cash inflow from operating activities	£ 1,201,570	£ 438,342

19 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2013 £	2012 £
Returns on investments and servicing of finance		
Interest received	29	-
Interest paid	-	(480)
Hire purchase interest	(16,140)	(13,040)
Net cash outflow from returns on investments and servicing of finance	£ (16,111)	£ (13,520)

	2013 £	2012 £
Taxation		
Corporation tax	£ (296,826)	£ (539,001)

	2013 £	2012 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(19,718)	(53,503)
Sale of tangible fixed assets	7,427	-
Net cash outflow from capital expenditure	£ (12,291)	£ (53,503)

STORM TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2013

19. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2013 £	2012 £
Financing		
New/(repayment of) finance leases	£ 392,131	£ (81,490)

20. ANALYSIS OF CHANGES IN NET DEBT

	1 January 2013 £	Cash flow £	Other non-cash changes £	31 December 2013 £
Cash at bank and in hand	419,762	31,569	-	451,331
Proceeds of factored debts	(3,798,741)	(63,087)	-	(3,861,828)
Debt.				
Debts due within one year	(47,629)	(392,131)	(10,408)	(450,168)
Debts falling due after more than one year	(10,408)	-	10,408	-
Net debt	£ (3,437,016)	£ (423,649)	£ -	£ (3,860,665)

21 PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £18,063 (2012 £18,052). Contributions totalling £3,228 (2012 £nil) were payable to the fund at the balance sheet date and are included in creditors.

22 OPERATING LEASE COMMITMENTS

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as follows:

	Short leasehold land and buildings 2013 £	2012 £
Expiry date		
Within 1 year	252,000	-
Between 2 and 5 years	-	399,990

STORM TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2013

23. RELATED PARTY TRANSACTIONS

The company guarantees the overdraft facility, to a maximum of £250,000, of Storm Procurement Limited a company of which Mr J R Brooker is a shareholder and director. During the financial year, the company sold computers and equipment to Storm Procurement Limited on normal commercial terms. The total value of sales was £515,451 (2012 £1,070,333). The company made available a working capital loan to Capital Continuity Limited. The maximum amount outstanding during the year was £644,816 (2012 £644,816), and the balance due at the year end was £364,386 (2012 £632,646). The company also sold computers and equipment to Capital Continuity Limited on normal commercial terms. The total value of sales was £37,720 (2012 £97,410). Mr J Brooker is a director and shareholder of Capital Continuity Limited. The company occupies premises owned by Mr J Brooker and his family. The company entered into a 15 year lease on the 4th May 2010. During the year the company paid rent of £253,667 (2012 £262,500) and there was no balance owing at the year end. Mr J Brooker and Mrs S Brooker are directors and shareholders of Storm Music Management Limited and the company made working capital advances during the year to this business. The maximum outstanding during the year was £1,121,045 and the year end balance was £nil (2012 £900,581). Mr J R Brooker has an interest free loan from the company of £2,822,457 (2012 £1,885,933) with no fixed repayment period. The maximum outstanding during the year was £2,822,457.