

Company Registration No. 06396883 (England and Wales)

ARIA TECHNOLOGY HOLDINGS LIMITED
DIRECTORS' REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2013

FRIDAY



A2FUW661

A15

30/08/2013

#200

COMPANIES HOUSE

ARIA TECHNOLOGY HOLDINGS LIMITED

COMPANY INFORMATION

Directors

A Taheri
A Haghshenow

Company number

06396883

Registered office

Aria House
2 Belle Vue Avenue
Pottery Lane
Manchester M12 4AS

Auditors

Royce Peeling Green Limited
The Copper Room
Deva Centre
Trinity Way
Manchester M3 7BG

Bankers

Barclays Bank PLC
Manchester City Office
Manchester M60 2AU

ARIA TECHNOLOGY HOLDINGS LIMITED

CONTENTS

	Page
Directors' report	1 – 2
Independent auditor's report	3 – 4
Consolidated profit and loss account	5
Consolidated balance sheet	6
Balance sheet	7
Consolidated cash flow statement	8
Notes to the cash flow statement	10
Notes to the financial statements	11 - 19

ARIA TECHNOLOGY HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JANUARY 2013

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

Principal activities and review of the business

The principal activity of the group in the year under review was that of wholesale and retail of computer hardware, software and accessories

The group achieved satisfactory results during the year, although turnover fell to £11.1m (2012 £14.5m), pre-tax profits of £138,098 show significant improvement over the prior year (2012 £89,234 before exceptional charges)

Ana Technology Limited ("ATL"), a wholly owned subsidiary, is presently the subject of an action brought by HMRC with regard to the alleged inappropriate reclaim of input VAT on certain purchases made by the company in 2006. ATL successfully defeated part of the action relating to this matter earlier in the year. The directors, taking on-going legal advice, remain of the view that HMRC's case is completely without merit and on this basis no provision for potential loss has been made by the company. All the legal fees in respect of this action have already been settled by ATL and therefore no further costs of this nature are expected to be incurred.

Results and dividends

The results for the year are set out on page 5

Directors

The following directors have held office since 1 February 2012

R Martin	Resigned 14 June 2013
A Taheri	Appointed 6 August 2013
A Haghsheeno	Appointed 14 June 2013

Auditors

In accordance with the company's articles, a resolution proposing that Royce Peeling Green Limited be reappointed as auditors of the company and the group will be put at a General Meeting

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 then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

ARIA TECHNOLOGY HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2013

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all steps that they ought to have taken as directors in order to make themselves aware of all relevant information and to establish that the company's auditors are aware of that information.

By Order of the Board

A handwritten signature in black ink, appearing to read 'A. Taheri', is written over a horizontal line.

A Taheri
Director

19th August 2013

ARIA TECHNOLOGY HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ARIA TECHNOLOGY HOLDINGS LIMITED

We have audited the financial statements of Aria Technology Holdings Limited for the year ended 31 January 2013 set out on pages 5 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, and 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 opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities set out on page 2, 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 group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the director, 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 of financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 January 2013 and of the group's profit/ (loss) 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

Emphasis of matter

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 21 to the financial statements concerning the uncertain outcome of a lawsuit where a subsidiary company is the defendant. The ultimate outcome of the matter cannot presently be determined, and no provision for any liability that may result has been made in the financial statements.

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.

ARIA TECHNOLOGY HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF ARIA TECHNOLOGY HOLDINGS 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Royce Peeling Green Limited

Martin Chatten (Senior Statutory Auditor)
for and on behalf of Royce Peeling Green Limited

27 August 2013
.....

Chartered Accountants
Statutory Auditor

The Copper Room, Deva Centre
Trinity Way
Manchester M3 7BG

ARIA TECHNOLOGY HOLDINGS LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 2013

	Notes	2013 £	2012 £
Turnover	2	11,084,454	14,488,699
Cost of sales		(9,814,935)	(12,989,964)
Gross profit		1,269,519	1,498,735
Administration expenses		(1,111,595)	(1,391,379)
Operating profit before exceptional operating charges	3	157,924	107,356
Exceptional pension contribution		-	(200,000)
Operating profit/ (loss)	3	157,924	(92,644)
Interest receivable and similar income		161	337
Interest payable	4	(19,987)	(18,399)
Profit/ (loss) on ordinary activities before taxation		138,098	(110,706)
Tax on profit/ (loss) on ordinary activities	6	(36,713)	15,188
Profit/ (loss) for the year	19	101,385	(95,518)
Profit/ (loss) for the year attributable to			
Equity holders of the company		100,583	(98,112)
Minority interest		802	2,594
		101,385	(95,518)

The consolidated profit and loss account has been prepared on the basis that all operations are continuing
There are no recognised gains and losses other than those passing through the profit and loss account

ARIA TECHNOLOGY HOLDINGS LIMITED

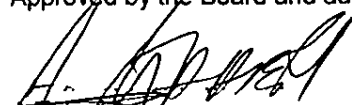
CONSOLIDATED BALANCE SHEET

AS AT 31 JANUARY 2013

	Notes	2013		2012	
		£	£	£	£
Fixed assets					
Intangible fixed assets	9	268,464		281,693	
Tangible fixed assets	8	1,681,125		1,749,714	
			1,949,589 ✓		2,031,407
Current assets					
Stocks	11	693,491		683,999	
Debtors	12	197,508		197,341	
Cash at bank and in hand		818,372		774,682	
		1,709,371		1,656,022	
Creditors: amounts falling due within one year	13	(1,725,064)		(1,764,258)	
Net current assets			(15,693)		(108,236)
Total assets less current liabilities			1,933,896		1,923,171
Creditors: amounts falling due after more than one year	14		(605,502)		(693,925)
Provision for liabilities and charges	15		(10,963)		(13,200)
Net assets			1,317,431		1,216,046
Capital and reserves					
Share capital	17		20,100		20,100
Merger reserve	18		1,400,674		1,400,674
Profit and loss account	18		(97,529)		(198,112)
Total Shareholders' funds	19		1,323,245		1,222,662
Minority interest	20		(5,814)		(6,616)
Total equity			1,317,431		1,216,046

Approved by the Board and authorised for issue on

19th August 2013


A. Taheri
Director

Company Registration No 06396883

ARIA TECHNOLOGY HOLDINGS LIMITED

BALANCE SHEET

AS AT 31 JANUARY 2013

	Notes	2013	2012
		£	£
Fixed assets			
Investments	10	202,900	202,900
Current assets			
Debtors	12	1,133,042	1,133,042
Creditors			
Amounts falling due within one year	13	(184,600)	(184,600)
Net current assets		948,442	948,442
Net assets		1,151,342	1,151,342
Capital and reserves			
Share capital	17	20,100	20,100
Profit and loss account	18	1,132,242	1,131,242
Shareholders' funds	19	1,151,342	1,151,342

Approved by the Board and authorised for issue on

19th

August 2013


A Taheri
Director

Company Registration No 06396883

ARIA TECHNOLOGY HOLDINGS LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2013

	Notes	2013	2012
		£	£
Net cash inflow from operating activities	1	170,436	161,846
Returns on investments and servicing of finance			
Interest paid		(19,987)	(18,399)
Interest received		161	337
Net cash outflow for returns on investments and servicing of finance		(19,826)	(18,062)
Taxation paid		(4,121)	(23,614)
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		(16,134)	(36,468)
Receipts from sales of tangible assets		-	-
Net cash outflow for capital expenditure		(16,134)	(36,468)
Acquisitions and disposals			
Purchase of subsidiary undertakings		-	(181,620)
Net cash outflow from acquisitions		-	(181,620)
Equity dividends paid		-	(100,000)
Net cash inflow/ (outflow) before financing		130,355	(197,918)
Financing			
New long term loan		-	836,192
Repayment of long term loans		(86,665)	(866,625)
Net cash outflow from financing		(86,665)	(30,433)
Increase/ (decrease) in cash in the year	2	43,690	(228,351)

ARIA TECHNOLOGY HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JANUARY 2013

1 Reconciliation of operating profit to net cash inflow from operating activities

	2013	2012
	£	£
Group operating profit/(loss)	157,924	(92,644)
Depreciation and amortisation charges	97,952	83,027
(Increase)/decrease in stocks	(9,492)	(20,524)
(Increase)/decrease in debtors	(167)	70,802
Increase/ (decrease) in creditors	(75,781)	121,185
Net cash inflow from operating activities	170,436	161,846

2 Analysis of net debt

	31 January	Cash	Other	1 February
	2013	flow		2012
	£	£	£	£
Net cash				
Cash in hand and at bank	818,372	43,690	-	774,682
Debt				
Amounts due after more than one year	(605,502)	-	88,423	(693,925)
Amounts due within one year	(95,125)	86,665	(88,423)	(93,367)
	(700,627)	86,665	-	(787,292)
Net funds/ (debt)	117,745	130,355	-	(12,610)

3 Reconciliation of net cash flow to movement in net funds/ (debt)

	2013	2012
	£	£
Increase/(decrease) in cash in the period	43,690	(228,351)
Cash inflow from increase in debt and lease financing	86,665	30,433
Change in net funds/ (debt) arising from cash flows	130,355	(197,918)
Movement in net funds/ (debt) in the year	130,355	(197,918)
Opening net (debt)/ funds	(12,610)	185,308
Closing net funds/ (debt)	117,745	(12,610)

ARIA TECHNOLOGY HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Basis of consolidation

The Group financial statements have been accounted for in accordance with the principles of merger accounting as set out in FRS6 "Acquisitions and Mergers". The financial statements are therefore presented as if Ana Technology Limited had been owned and controlled by Aria Technology Holdings Limited throughout. Acquisition accounting has been used to account for the acquisitions of other subsidiary undertakings.

In accordance with section 408 of the Companies Act 2006 Aria Technology Holdings Limited is exempt from the requirement to present its own profit and loss account. The company's profit for the financial period was £Nil (2012: £1,231,242).

1.3 Turnover]

Turnover represents net invoiced sales of goods, excluding VAT and trade discounts.

1.4 Goodwill

Goodwill arising from the purchase of subsidiary undertakings represents the excess of fair value of the purchase consideration over the fair value of the net assets acquired, and is written back to the profit and loss account over a period of 20 years.

1.5 Fixed asset investments

The investment in Aria Technology Limited in the company balance sheet is recorded at the nominal value of shares issued for the purpose of the group reconstruction, in accordance with the treatment allowed by Section 612 of the Companies Act 2006.

On consolidation the difference between the nominal value of shares issued and the net assets of Aria Technology Limited on acquisition is recorded as a merger reserve.

Subsequent investments are stated at cost less provision for any permanent diminution in value and acquisition accounting principles are followed unless the specific criteria to qualify for merger accounting apply.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at costs or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation, less the estimated residual value of each asset over its expected useful life. The rates generally applicable are:

Land and buildings - Leasehold	Straight line the period of the lease
Motor vehicles	25% reducing balance
Fixtures, fittings and equipment	25% reducing balance

1.7 Stocks

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

ARIA TECHNOLOGY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2013

1.8 Deferred taxation

In accordance with Financial Reporting Standard 19 "Deferred Taxation", deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Provision is made at the rates expected to apply when the timing differences reverse and is not discounted.

Timing differences are differences between the taxable profits and the result as stated in the financial statements that arise from the inclusion of gains and losses in taxable profits in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, 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.

1.9 Pensions

Pension costs charged in the financial statements represent the contributions payable by the group during the year in accordance with FRS 17.

1.10 Foreign Currency Translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of transaction. All differences are taken to the profit and loss account.

1.11 Auditor's liability limitation agreement

The company has entered into a liability limitation agreement with Royce Peeling Green Limited, the statutory auditor, in respect of the statutory audit for the year ended 31 January 2013. The proportionate liability agreement follows the standard terms in Appendix B to the Financial Reporting Council's June 2008 Guidance on Auditor Liability Agreements, and was approved by the shareholders.

2 Turnover geographical markets

	2013 £	2012 £
United Kingdom	11,079,454	12,919,499
Europe	5,000	1,569,200
	<u>11,084,454</u>	<u>14,488,699</u>

ARIA TECHNOLOGY HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2013

3 Operating profit/ (loss)

Group operating profit/ (loss) is stated after charging or crediting	2013	2012
	£	£
Auditors' remuneration - audit of the group's annual accounts	13,000	14,000
Goodwill amortisation	13,229	4,893
Depreciation	84,723	78,134
Loss on foreign exchange transactions	1,058	7,048
Directors' emoluments		
Total emoluments	60,415	232,747
Highest paid director	31,600	221,413

Total and highest paid directors' emoluments include pension contributions of £Nil (2012 £200,000)

One director is accruing retirement benefits under a money purchase pension schemes (2012 one)

4 Interest payable

Group	2013	2012
	£	£
Bank loans and overdrafts	19,987	18,399

5 Employees

Staff costs during the year were as follows

Group	2013	2012
	£	£
Wages and salaries	526,447	669,125
Social security costs	39,189	54,317
Other pension costs	875	200,000
	566,511	923,442

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

Group	2013	2012
	Number	Number
Retail and administration	35	44

The company has no employees other than the directors

ARIA TECHNOLOGY HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2013

6 Taxation

Group	2013 £	2012 £
Current year tax		
UK corporation tax	(38,950)	(14,520)
Current tax (credit)/ charge	(38,950)	(14,520)
Deferred tax current year	(2,237)	(668)
Tax on profit/ (loss) on ordinary activities	36,713	(15,188)
Factors affecting the tax charge for the year		
Profit/ (loss) on ordinary activities before taxation	138,098	(110,706)
Profit/ (loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20% (2012 20%)	27,620	(22,141)
Effects of		
Non-deductible expenses/ (non taxable income)	559	4,750
Depreciation	19,610	16,606
Capital allowances	(8,319)	(12,675)
Other tax adjustments	(520)	-
Tax rate changes	-	(1,060)
	11,330	7,621
Current tax charge/ (credit)	38,950	(14,520)

The group has estimated tax losses of £30,000 (2012 £30,000) to carry forward

ARIA TECHNOLOGY HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2013

7 Tangible fixed assets

Group	Leasehold property £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 February 2012	1,649,037	1,306,938	6,525	2,962,500
Additions	-	16,134	-	16,134
At 31 January 2013	<u>1,649,037</u>	<u>1,323,072</u>	<u>6,525</u>	<u>2,978,634</u>
Depreciation				
At 1 February 2012	109,551	1,098,036	5,199	1,212,786
Charge for the year	32,164	52,228	331	84,723
At 31 January 2013	<u>141,715</u>	<u>1,150,264</u>	<u>5,530</u>	<u>1,297,509</u>
Net book value				
At 31 January 2013	<u>1,507,322</u>	<u>172,808</u>	<u>995</u>	<u>1,681,125</u>
At 31 January 2012	<u>1,539,486</u>	<u>208,902</u>	<u>1,326</u>	<u>1,749,714</u>

8 Intangible fixed assets

Group	Goodwill on consolidation £	Web domains £	Total £
Cost			
At 1 February 2012	264,586	22,000	284,586
At 31 January 2013	<u>264,586</u>	<u>22,000</u>	<u>284,286</u>
Amortisation			
At 1 February 2012	4,893	-	4,893
Charge for the year	13,229	-	13,229
At 31 January 2013	<u>18,122</u>	<u>-</u>	<u>18,122</u>
Net book value			
At 31 January 2013	<u>246,464</u>	<u>22,000</u>	<u>268,464</u>
At 31 January 2012	<u>259,693</u>	<u>22,000</u>	<u>281,693</u>

9 Acquisitions

On 19 September 2011 the company acquired 90% of the ordinary share capital of Velo Systems Limited for cash consideration of £181,520. At acquisition that company had total net liabilities of £92,296 thus giving rise to goodwill on consolidation of £264,586 for the 90% holding acquired.

ARIA TECHNOLOGY HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2013

10 Fixed asset investment

Company	Shares in subsidiary undertakings £
Cost	
At 1 February 2012	202,900
Additions	-
	<hr/> 202,900 <hr/>
Net book value	
At 31 January 2012	<hr/> 202,900 <hr/>
At 31 January 2013	<hr/> 202,900 <hr/>

Name	Country of registration	Nature of business
Aria Technology Limited	England & Wales	Computer hardware and software retail
Aria Land Limited	England & Wales	Property rental
Velo Systems Limited	England & Wales	Intellectual property licensing
Aria iFix Limited	England & Wales	Computer repair services
Aria Retail Limited	England & Wales	Dormant
Aria Business Services Limited	England & Wales	Dormant
Aria Web Solutions Limited	England & Wales	Website development services

Name	Class	Holding	Capital and reserves 2013 £	Profit for the year 2013 £
Aria Technology Limited	Ordinary	100%	166,561	68,090
Aria Land Limited	Ordinary	100%	71,113	38,503
Velo Systems Limited	Ordinary	90%	(53,090)	8,021
Aria iFix Limited	Ordinary	100%	(9,703)	-
Aria Retail Limited	Ordinary	100%	100	-
Aria Business Services Limited	Ordinary	100%	1	-
Aria Web Solutions Limited	Ordinary	80%	(2,525)	-

ARIA TECHNOLOGY HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2013

11	Stock	Group 2013 £	Company 2013 £	Group 2012 £	Company 2012 £
	Finished goods and goods for resale	693,491	-	683,999	-
12	Debtors	Group 2013 £	Company 2013 £	Group 2012 £	Company 2012 £
	Trade debtors	138,474	-	119,573	-
	Other debtors	5,420	-	12,014	-
	Corporation tax repayable	23,614	-	23,614	-
	Prepayments and accrued income	30,000	-	42,140	-
	Amounts owed by subsidiary undertakings	-	1,133,042	-	1,133,042
		197,508	1,133,042	197,341	1,133,042
13	Creditors: amounts falling due within one year	Group 2013 £	Company 2013 £	Group 2012 £	Company 2012 £
	Bank loans and overdrafts	95,125	-	93,367	-
	Trade creditors	1,212,710	-	1,301,502	-
	Corporation tax	48,124	-	13,294	-
	Other taxes and social security costs	112,427	-	151,413	-
	Directors' current accounts	38,280	-	-	-
	Accruals and deferred income	218,399	-	204,682	-
	Amounts owed to subsidiary undertakings	-	184,600	-	184,600
		1,725,065	184,600	1,764,258	184,600

ARIA TECHNOLOGY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2013

14 Creditors amounts falling due after more than one year

	Group 2013 £	Company 2013 £	Group 2012 £	Company 2012 £
Bank loans	605,502	-	693,925	-
Analysis of debt				
	£	£	£	£
Not wholly repayable within five years	700,627	-	787,292	-
Less amount included in current liabilities	(95,125)	-	(93,367)	-
	605,502	-	693,925	-
Loan maturity analysis				
	£	£	£	£
Repayable between one and two years	95,125	-	95,125	-
Repayable between two and five years	295,925	-	295,925	-
Repayable after five years	214,452	-	302,875	-
	605,502	-	693,925	-

Bank loans are secured by way of a specific legal charge over the company's freehold property, dated 30 June 2011, together with debentures dated 13 August 2010. The borrowings are also secured by way of cross guarantee and debenture dated 13 August 2010 between the company, Aria Technology Limited, Aria iFix Limited and Aria Technology Holdings Limited.

15 Provisions for liabilities and charges

Group	Deferred Taxation £
Balance at 1 February 2012	13,200
Profit and loss account	(2,237)
Balance at 31 January 2013	10,963
The deferred tax liability is made up as follows	
Accelerated capital allowances	10,963
Other timing differences	-
	10,963

ARIA TECHNOLOGY HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2013

16 Pension and other post-retirement benefit commitments

	Group 2013 £	Company 2013 £	Group 2012 £	Company 2012 £
Contributions payable for the year	875	-	200,000	-

17 Share capital

Allotted, issued and fully paid Ordinary Shares of £1 each	Number 20,100	£ 20,100
---	--------------------------	---------------------

18 Reserves

	Group Merger reserve £	Profit and loss account £	Company Profit and loss account £
At 1 February 2012	1,400,674	(198,112)	1,131,242
Profit for the year	-	100,583	-
At 31 January 2013	1,400,674	(97,529)	1,131,242

The merger reserve in the consolidated balance sheet follows the principles of merger accounting in accordance with FRS 6, "Acquisitions and Mergers" this being the excess of consideration paid over the nominal value of shares issued on reconstruction of the group in 2011

19 Reconciliation of movement in shareholders' funds

	Group 2013 £	Company 2013 £	Group 2012 £	Company 2012 £
Profit/ (loss) for the year	100,583	-	(98,112)	1,231,242
Dividends	-	-	(100,000)	(100,000)
Increase/ (decrease) in shareholders' funds	100,583	-	(198,112)	1,131,242
Opening shareholders' funds	1,222,662	1,151,342	1,420,774	20,100
Closing shareholders' funds	1,323,245	1,151,342	1,222,662	1,151,342

ARIA TECHNOLOGY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2013

20 Minority interest

The group's minority interest is comprised entirely of equity interests and represents the minority shares of Velo Systems Limited and Aria Web Solutions Limited

	2013 £	2012 £
Balance at 1 February 2012	(6,616)	-
Net liabilities acquired during the year	-	(9,210)
Share of profits	802	2,594
	<hr/>	<hr/>
Balance at 31 January 2013	(5,814)	(6,616)

21 Contingent liabilities

Aria Technology Limited continues to vigorously defend an action brought by HMRC with regard to the alleged inappropriate reclaim of input VAT on certain purchases made by the company in 2006

Aria Technology Limited successfully defeated part of the action relating to this matter earlier in the year. The directors, taking on-going legal advice, remain of the view that HMRC's case is completely without merit and on this basis no provision for potential loss has been made by the company

All the legal fees in respect of this action have already been settled by Aria Technology Limited and therefore no further costs of this nature are expected to be incurred

22 Related party transactions

At 31 January 2013 the group owed £38,280 to (2012 £9,022 was owed by) Mr A Taheri in respect of transactions settled by the group on his behalf. No interest has been charged by/ to Mr A Taheri on the balance

23 Controlling party

The ultimate controlling party of the group is Mr A Taheri