

**APS GROUP (SCOTLAND) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2017**

TUESDAY



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# APS GROUP (SCOTLAND) LIMITED

## COMPANY INFORMATION

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|--------------------------|--|
| <b>Directors</b>         | N J Snelson<br>A Doyle<br>B Blakeman   |
| <b>Company number</b>    | SC369510   |
| <b>Registered office</b> | 21 Tennant Street<br>Edinburgh<br>Scotland<br>EH6 5NA                                    |
| <b>Auditor</b>           | Booth Ainsworth LLP<br>Alpha House<br>4 Greek Street<br>Stockport<br>Cheshire<br>SK3 8AB |

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# APS GROUP (SCOTLAND) LIMITED

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# APS GROUP (SCOTLAND) LIMITED

## STRATEGIC REPORT

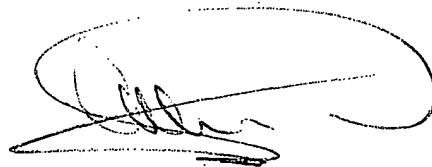
FOR THE YEAR ENDED 31 JANUARY 2017

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*"APS Group Scotland provides integrated communications and customer experience programs and marketing services to both public and private sector organisations across Scotland and beyond. APS Group Scotland delivers a wide range of contracted services to Scottish customers including government, health services, local authorities, retail, financial services, charity and other public sector bodies.*

*The company's range of professional services are underpinned by highly motivated and responsible people, dedicated to the delivery of a broad range of services and supported by innovative technology, systems and infrastructure. The core service offering includes design and creative services, publishing, print, content creation and content management, multi-channel output and management and associated logistics. The company differentiates itself within its chosen markets by its ability to tailor its service solutions to the specific requirements of its customers, thereby delivering better efficiency, reducing cost, improving speed to market and maximising the overall benefit for customers."*

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

Allan Doyle  
Managing Director



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### Continued Financial Strength

APS Group Scotland continues to develop and invest in its capabilities to deliver strong and innovative services. Some of this investment relates to new service lines and the requirement to support new customer acquisition. As a result, such investment will undoubtedly deliver additional returns over the medium to longer term. We recognise that in many instances customers own budgets have come under increasing pressure throughout 2016 and that this trend is expected to continue. Nevertheless, turnover for APS Group Scotland has remained reasonably strong at £9.1m for the year to January 2017, down from £9.8m to January 2016, whilst total company equity rose to £2.3m in January 2017 from £2.1m in January 2016.

APS Group Scotland operates from a strong financial base. The company continues to invest in new technology, service line development and the expansion of its technical and creative expertise without the requirement for external funding.

# **APS GROUP (SCOTLAND) LIMITED**

## **STRATEGIC REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 JANUARY 2017**

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### **Future Growth and Development**

APS Group Scotland has continued to align its development of services with the requirements of its customers and we recognise the challenges faced by customers across a number of areas amongst both public and private sector organisations. Long-term decline in revenue funding, particularly within government and the public sector is clearly evident.

As a result of the social and economic challenges facing government and public sector organisations and others, APS Group Scotland has sought ways of working with its customers in order to help to reduce costs through the deployment of better technology, reducing waste and inefficiency, by managing the procurement of products and services and by delivering improved value for money.

Customers of APS Group Scotland derive tremendous benefit from the over-arching resources, infrastructure and resilience gained as a result of the company being part of the larger, world-wide APS Group. Whilst retaining its Scottish identity and independent strategic operations in Edinburgh and Glasgow, APS Group Scotland is able to draw upon significant high-end resources afforded by APS Group. In 2016 the company increased its investment in technology on all fronts - platform, network, development, team and deployment. The company relocated and updated its core platforms to a fully redundant data centre network utilising the latest in DR technology to replicate data across the UK. To complement this APS Group has invested in its connectivity; building a superfast, high availability MPLS network to connect all of its locations securely to the data centres. APS Group has offices across Europe and into the US and has built a resilient, high availability network to ensure optimum speeds and security in what is a high bandwidth, time critical business.

To support growth the company has replaced legacy systems with its Marketing Operations Suite (MOS) integrating and streamlining processes and workflows. This delivers consistency in operations and the opportunity to gain better performance insights across our estate. As customers' requirements for digitisation increase we are now able to help them to be more productive whilst assisting them, through our technology, in transforming how they do business in a more engaging way. The MOS platform is now easy to configure, extend, customise and integrate (via web services) with our clients' applications and processes. APS is able to manage any type of content, from office documents to images, marketing collateral, point of sale materials and large video files from initiation through to delivery in all marketing channels. As a result APS Group Scotland is now in position to help support significant growth in revenues, service lines and innovation.

Throughout this year APS Group Scotland has continued to prioritise the integration of its service offerings with particular emphasis on strategy, content creation and content management. As a result the company is better positioned to help develop its customer offerings and to help deliver significant savings to customers.

### **Managing Risk**

As APS Group Scotland enters a further period of significant organic growth the principal challenge will be the management and implementation of change; managing change whilst continuing to service and support customers effectively and whilst retaining existing valuable business. During 2016 the company sought to strengthen and support the growth in contracted core service revenues. We have introduced additional expertise and depth of knowledge and we have refined our technical capabilities across a number of areas. These investments continue to increase our ability to nurture and grow our existing customer business as evidenced by another year of customer retention and service line development.

Throughout 2016 APS Group Scotland has successfully acquired new customers as a result of successful tenders and through ongoing dialogue with potential customers who are able to avail themselves of the opportunity to participate in formal framework agreements formulated and entered into by government and public sector bodies. This programme of engagement continues to prove to be successful and has resulted in meaningful pipeline business for 2017 and beyond. Although investment associated with the implementation of new contracts does create additional costs and has impacted on performance in 2016, the overall picture remains positive.

# **APS GROUP (SCOTLAND) LIMITED**

## **STRATEGIC REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 JANUARY 2017**

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### **People and Places**

APS Group Scotland continues to seek to develop and improve the capabilities of its people and to introduce further expertise as circumstances dictate. Overall colleague numbers have remained constant at 88 throughout the year but, whenever opportunities have allowed, we have sought to invest in training and development and to introduce improved levels of expertise in line with the immediate and future requirements of customers.

The operational model adopted by APS Group Scotland includes the deployment of some 285 SME business and suppliers across Scotland. The company works closely with these businesses to support their management and employees to gain appropriate accreditations, operate to agreed service levels and to meet exacting standards of quality and service. As a result of developing such sound working practices with suppliers, APS customers benefit from streamlined processes and clear lines of accountability and responsibility.

### **Looking Ahead**

2017 will deliver further improvement in revenue for APS Group Scotland as a result of implementing business already won and by retaining and developing existing business within both the private and public sectors. We expect to increase our revenues and margins through content creation and management as we help our customer organisations to interact with their customers through the most effective and appropriate channels. We will continue to expand our service lines with existing customers and anticipate the introduction of new sites to support the requirements of new businesses.

As a business, APS does not underestimate the social, political and economic challenges facing many of our customers. We are committed to standing alongside our customers to seek ways in which costs can be managed, efficiencies identified and strong and effective partnerships established. We'll enable them to do more with less.

We see scope for managing services more effectively at times of reducing revenues; for the deployment of shared services; using to even greater effect digital and online solutions; improving procurement on behalf of customers; and identifying new and innovative ways of working. In essence, we look forward with confidence to make more possible, both locally in Scotland and beyond, in the years to come.

# APS GROUP (SCOTLAND) LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 JANUARY 2017**

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The directors present their annual report and financial statements for the year ended 31 January 2017.

### Directors

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

N J Snelson

G Jones

(Resigned 30 September 2016)

A Doyle

B Blakeman

### Auditor

The auditor, Booth Ainsworth LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



.....  
N J Snelson

Director

..... 23/06/2017 .

# **APS GROUP (SCOTLAND) LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

**FOR THE YEAR ENDED 31 JANUARY 2017**

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The directors are responsible for preparing the annual 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 accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.



# **APS GROUP (SCOTLAND) LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF APS GROUP (SCOTLAND) LIMITED**

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We have audited the financial statements of APS Group (Scotland) Limited for the year ended 31 January 2017 set out on pages 8 to 15. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 5, 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 annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on 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 January 2017 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 matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

# APS GROUP (SCOTLAND) LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF APS GROUP (SCOTLAND) LIMITED

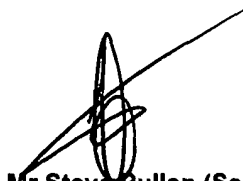
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#### Matters on which we are required to report by exception

In the light of the 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.



Mr Steve Pullen (Senior Statutory Auditor)  
for and on behalf of Booth Ainsworth LLP

Chartered Accountants  
Statutory Auditor

23 June 2017

Alpha House  
4 Greek Street  
Stockport  
Cheshire  
SK3 8AB

# APS GROUP (SCOTLAND) LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2017

|  | Notes    | 2017<br>£        | 2016<br>£        |
|--|----------|------------------|------------------|
| Turnover                               |          | 9,072,805        | 9,775,870        |
| Cost of sales                          |          | (7,752,282)      | (7,845,667)      |
| <b>Gross profit</b>                    |          | <b>1,320,523</b> | <b>1,930,203</b> |
| Administrative expenses                |          | (1,097,940)      | (1,090,082)      |
| <b>Operating profit</b>                | <b>2</b> | <b>222,583</b>   | <b>840,121</b>   |
| Interest receivable and similar income |          | 15               | 11               |
| <b>Profit before taxation</b>          |          | <b>222,598</b>   | <b>840,132</b>   |
| Taxation                               |          | (48,237)         | (172,044)        |
| <b>Profit for the financial year</b>   |          | <b>174,361</b>   | <b>668,088</b>   |

# APS GROUP (SCOTLAND) LIMITED

## BALANCE SHEET

AS AT 31 JANUARY 2017

|   | Notes | 2017<br>£          | £                | 2016<br>£          | £                |
|---|-------|--------------------|------------------|--------------------|------------------|
| <b>Fixed assets</b>                                   |       |                    |                  |                    |                  |
| Tangible assets                                       | 4     |                    | 237,210          |                    | 270,463          |
| <b>Current assets</b>                                 |       |                    |                  |                    |                  |
| Stocks  |       | 85,871             |                  | 274,876            |                  |
| Debtors   | 5     | 3,055,396          |                  | 2,461,257          |                  |
| Cash at bank and in hand                              |       | 454,669            |                  | 188,965            |                  |
|   |       | <u>3,595,936</u>   |                  | <u>2,925,098</u>   |                  |
| <b>Creditors: amounts falling due within one year</b> | 6     | <u>(1,530,184)</u> |                  | <u>(1,075,438)</u> |                  |
| <b>Net current assets</b>                             |       |                    | 2,065,752        |                    | 1,849,660        |
| <b>Total assets less current liabilities</b>          |       |                    | <u>2,302,962</u> |                    | <u>2,120,123</u> |
| <b>Provisions for liabilities</b>                     |       |                    | 17,115           |                    | 25,594           |
| <b>Net assets</b>                                     |       |                    | <u>2,320,077</u> |                    | <u>2,145,717</u> |
| <b>Capital and reserves</b>                           |       |                    |                  |                    |                  |
| Called up share capital                               | 7     |                    | 100              |                    | 100              |
| Profit and loss reserves                              |       |                    | 2,319,977        |                    | 2,145,617        |
| <b>Total equity</b>                                   |       |                    | <u>2,320,077</u> |                    | <u>2,145,717</u> |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 23<sup>rd</sup> June 2017 and are signed on its behalf by:



N J Snelson  
Director

Company Registration No. SC369510

# APS GROUP (SCOTLAND) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 JANUARY 2017

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#### 1 Accounting policies

##### Company information

APS Group (Scotland) Limited is a private company limited by shares incorporated in Scotland. The registered office is 21 Tennant Street, Edinburgh, Scotland, EH6 5NA.

##### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### 1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                                |                           |
|--------------------------------|---------------------------|
| Plant and machinery            | 33% and 20% straight line |
| Fixtures, fittings & equipment | 33% and 20% straight line |
| Motor vehicles                 | 100% straight line        |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

##### 1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# APS GROUP (SCOTLAND) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JANUARY 2017

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#### 1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# APS GROUP (SCOTLAND) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

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### 1 Accounting policies

(Continued)

#### *Classification of financial liabilities*

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### *Basic financial liabilities*

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

# APS GROUP (SCOTLAND) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

### 1 Accounting policies

(Continued)

#### 1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

### 2 Operating profit

|   | 2017            | 2016            |
|---|-----------------|-----------------|
|   | £               | £               |
| Operating profit for the year is stated after charging/(crediting):                       |                 |                 |
| Fees payable to the company's auditor for the audit of the company's financial statements | 6,800           | 6,500           |
|   | <u>        </u> | <u>        </u> |

### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 88 (2016 - 88).



# APS GROUP (SCOTLAND) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

### 4 Tangible fixed assets

|                                    | Plant and machinery etc<br>£ |
|------------------------------------|------------------------------|
| <b>Cost</b>                        |                              |
| At 1 February 2016                 | 918,500                      |
| Additions                          | 29,663                       |
| Disposals                          | (850)                        |
| At 31 January 2017                 | 947,313                      |
| <b>Depreciation and impairment</b> |                              |
| At 1 February 2016                 | 648,037                      |
| Depreciation charged in the year   | 62,066                       |
| At 31 January 2017                 | 710,103                      |
| <b>Carrying amount</b>             |                              |
| At 31 January 2017                 | 237,210                      |
| At 31 January 2016                 | 270,463                      |

### 5 Debtors

|   | 2017<br>£ | 2016<br>£ |
|---|-----------|-----------|
| <b>Amounts falling due within one year:</b> |           |           |
| Trade debtors                               | 1,167,377 | 1,182,201 |
| Amounts due from group undertakings         | 1,659,848 | 1,244,510 |
| Other debtors                               | 228,171   | 34,546    |
|   | 3,055,396 | 2,461,257 |

### 6 Creditors: amounts falling due within one year

|                                    | 2017<br>£ | 2016<br>£ |
|------------------------------------|-----------|-----------|
| Trade creditors                    | 457,613   | 360,890   |
| Amounts due to group undertakings  | 346,267   | 346,267   |
| Corporation tax                    | 50,401    | 10,400    |
| Other taxation and social security | 110,712   | 62,416    |
| Other creditors                    | 565,191   | 295,465   |
|                                    | 1,530,184 | 1,075,438 |

# APS GROUP (SCOTLAND) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2017

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### 7 Called up share capital

|   | 2017       | 2016       |
|---|------------|------------|
|   | £          | £          |
| Ordinary share capital<br>Issued and not fully paid |            |            |
| 100 Ordinary shares of £1 each                      | 100        | 100        |
|   | <u>100</u> | <u>100</u> |

### 8 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

| 2017           | 2016           |
|----------------|----------------|
| £              | £              |
| 373,750        | 488,750        |
| <u>373,750</u> | <u>488,750</u> |

### 9 Parent company

The company is a wholly owned subsidiary of APS Group Limited, and its results are included in the consolidated accounts of that company which are on public record. APS Group Limited is itself controlled by N J Snelson, a director of both companies. The registered office of APS Group Limited is Chetham House, Bird Hall Lane, Stockport, England, SK3 0ZP.