

Company Registration No. 01160482 (England and Wales)

**SPECIALIST COMPUTER HOLDINGS (UK) LIMITED (FORMERLY SPECIALIST  
COMPUTER HOLDINGS (UK) PLC)**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2014**

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**SPECIALIST COMPUTER HOLDINGS (UK) LIMITED (FORMERLY SPECIALIST  
COMPUTER HOLDINGS (UK) PLC)**

**COMPANY INFORMATION**

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<b>Directors</b>	Sir Peter Rigby Ms P Rigby Mr J Rigby Mr S Rigby
<b>Company number</b>	01160482
<b>Registered office</b>	James House Warwick Road Birmingham B11 2LE
<b>Auditors</b>	Deloitte LLP Chartered Accountants & Statutory Auditor Four Brindleyplace Birmingham B1 2HZ
<b>Bankers</b>	HSBC Bank plc 4th Floor 120 Edmund Street Birmingham United Kingdom B3 2QZ
<b>Solicitors</b>	Wragge Lawrence Graham & Co LLP 2 Snowhill Birmingham B4 6WR

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**SPECIALIST COMPUTER HOLDINGS (UK) LIMITED (FORMERLY SPECIALIST  
COMPUTER HOLDINGS (UK) PLC)**

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**SPECIALIST COMPUTER HOLDINGS (UK) LIMITED (FORMERLY SPECIALIST  
COMPUTER HOLDINGS (UK) PLC)**

**DIRECTORS' REPORT**

***FOR THE YEAR ENDED 31 MARCH 2014***

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

**Principal activities and review of the business**

The principal activity of the company is to be an intermediate holding company for the Rigby Group (RG) plc ("RG") group, and to provide support services to the group.

Following a group reorganisation in April 2013, the activities previously undertaken by the company have been transferred to either RG or SCC EMEA Limited ("SCC") (formerly SCC EMEA plc). The company will remain an intermediate holding company, however future activities will primarily be the receipt of dividends from UK subsidiaries and the payment of dividends to SCC.

During the year, the group undertook a company rationalisation to reduce the number of dormant companies. Dividends of £11,703,000 were received from subsidiaries which were subsequently liquidated or struck off; and exceptional operating expenses of £11,170,000 were incurred to write off investments in, or intercompany receivables from, subsidiaries which were subsequently liquidated or struck off.

The ultimate parent company is Rigby Group (RG) plc, the parent company for a portfolio of privately owned businesses operating across Europe, The Middle East and North Africa. The group is focussed on six core areas: technology, aviation, hotels, real estate, airports and financial services, with net assets of £258 million (2013 - £283 million) and consolidated turnover of £1.8 billion (2013 - £2.2 billion). Further information on the Rigby Group is available on [www.rigbygroupplc.com](http://www.rigbygroupplc.com).

On 26 March 2014, the company re-registered as a private limited company and changed its name.

**SPECIALIST COMPUTER HOLDINGS (UK) LIMITED (FORMERLY SPECIALIST  
COMPUTER HOLDINGS (UK) PLC)**

**DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2014***

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**Results and dividends**

The results for the year are set out on page 7.

The company reported a profit before taxation of £18,688,000 (2013 - £91,944,000). The profit reported for the year principally comprises investment income being dividends received from subsidiaries, net of exceptional operating expenses arising on subsidiaries struck off or liquidated during the year.

The balance sheet on page 8 of the financial statements shows that the company's net assets at the end of the financial year were £26,684,000 (2013 - £8,021,000), the increase being primarily attributable to dividends received during the year.

The company is an intermediate holding company and the company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the RG group is discussed in the Strategic Report of Rigby Group (RG) plc.

The audited financial statements for the year ended 31 March 2014 are set out on pages 7 to 18. The profit for the year after taxation was £18,663,000 (2013 - £91,821,000).

The directors declared and paid a final dividend of £Nil per ordinary share (2013 - £5.00).

# **SPECIALIST COMPUTER HOLDINGS (UK) LIMITED (FORMERLY SPECIALIST COMPUTER HOLDINGS (UK) PLC)**

## **DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2014***

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### **Principal risks and uncertainties**

The company makes advances to group companies in sterling and euro's and receives loans from group companies in sterling and euro's. Where there is any currency risk, the company's treasury function takes out appropriate contracts to manage these exposures. The company is also exposed to financial risk through its financial assets and liabilities. The key financial risk is that proceeds from financial assets are insufficient to fund obligations from liabilities as they fall due. The most important components of financial risk are from interest rates, currency movements, credit, liquidity, cash flow and price. Due to the nature of the company's business, the only financial risks the directors consider relevant are liquidity and funding risks.

These are mitigated as follows:

#### *Liquidity and funding risk*

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

The company and the RG group has one principal source of external funding in the UK, which has a maturity date in February 2015.

### **Going concern**

After making enquiries, the directors have a reasonable expectation that the company has access to adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in note 1 to the financial statements.

### **Environment**

The company recognises the importance of its environmental responsibilities in all the markets in which it operates. In all activities, working practices and business relationships, the company continuously works towards protecting, conserving and enhancing all aspects of the environment. In order to achieve these objectives, the company seeks to always meet the necessary regulatory requirements and continues to raise awareness of all employees to environmental issues. The company will always seek to minimise any impact on the environment through appropriate schemes, such as recycling, and manage all sites in an environmentally sensitive manner. The company has put in place the necessary systems to manage, control and monitor performance in respect of environmental matters.

### **Directors**

The following directors have held office since 1 April 2013:

Sir Peter Rigby

Ms P Rigby

Mr J Rigby

Mr S Rigby

Mr D Marsh

(Resigned 31 March 2014)

### ***Directors' indemnities***

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

**SPECIALIST COMPUTER HOLDINGS (UK) LIMITED (FORMERLY SPECIALIST  
COMPUTER HOLDINGS (UK) PLC)**

**DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2014***

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**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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement of disclosure to auditors**

Each of the directors at the date of approval of this report confirms that:

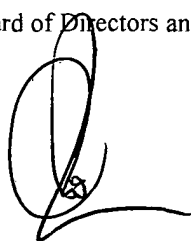
- so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish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

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

A resolution to reappoint Deloitte LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed behalf of the Board

Mr J Rigby  
Director  
4 December 2014



# **SPECIALIST COMPUTER HOLDINGS (UK) LIMITED (FORMERLY SPECIALIST COMPUTER HOLDINGS (UK) PLC)**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF SPECIALIST COMPUTER HOLDINGS (UK) LIMITED (FORMERLY SPECIALIST COMPUTER HOLDINGS (UK) PLC)**

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We have audited the financial statements of Specialist Computer Holdings (UK) Limited (formerly Specialist Computer Holdings (UK) plc) for the year ended 31 March 2014 which comprise the Profit and Loss account, the Balance Sheet and the related notes 1 to 21. 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 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 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 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 March 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **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.



**SPECIALIST COMPUTER HOLDINGS (UK) LIMITED (FORMERLY SPECIALIST  
COMPUTER HOLDINGS (UK) PLC)**

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**

**TO THE MEMBERS OF SPECIALIST COMPUTER HOLDINGS (UK) LIMITED  
(FORMERLY SPECIALIST COMPUTER HOLDINGS (UK) PLC)**

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**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; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Strategic Report.



**Mr Mark Doleman FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP**

Chartered Accountants & Statutory Auditor  
Four Brindleyplace  
Birmingham  
B1 2HZ  
4 December 2014

**SPECIALIST COMPUTER HOLDINGS (UK) LIMITED (FORMERLY SPECIALIST  
COMPUTER HOLDINGS (UK) PLC)**

**PROFIT AND LOSS ACCOUNT**

***FOR THE YEAR ENDED 31 MARCH 2014***

	Notes	2014 £'000	2013 £'000
<b>Turnover</b>	<b>2</b>	-	17
Cost of sales		-	(126)
<b>Gross loss</b>		-	(109)
Administrative expenses		(62)	(4,162)
Other operating income		-	760
<b>Operating loss</b>	<b>3</b>	(62)	(3,511)
Exceptional operating expenses	<b>4</b>	(11,195)	-
<b>Loss on ordinary activities before interest</b>		(11,257)	(3,511)
Investment income	<b>5</b>	29,953	96,000
Interest payable and similar charges	<b>6</b>	(8)	(545)
<b>Profit on ordinary activities before taxation</b>		18,688	91,944
Tax on profit on ordinary activities	<b>9</b>	(25)	(123)
<b>Profit for the year</b>	<b>16</b>	18,663	91,821

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

**SPECIALIST COMPUTER HOLDINGS (UK) LIMITED (FORMERLY SPECIALIST  
COMPUTER HOLDINGS (UK) PLC)**

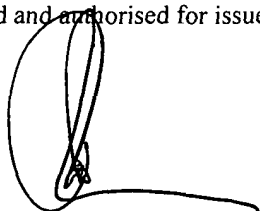
**BALANCE SHEET**

*AS AT 31 MARCH 2014*

	Notes	2014		2013	
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	11		23		1,540
Investments	12		7,804		21,149
			<u>7,827</u>		<u>22,689</u>
<b>Current assets</b>					
Debtors: amounts falling due within one year	13	127,501		104,943	
Cash at bank and in hand		3		5	
		<u>127,504</u>		<u>104,948</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(108,647)</u>		<u>(119,616)</u>	
<b>Net current assets (liabilities)</b>			<u>18,857</u>		<u>(14,668)</u>
<b>Total assets less current liabilities</b>			<u>26,684</u>		<u>8,021</u>
			<u>26,684</u>		<u>8,021</u>
<b>Capital and reserves</b>					
Called up share capital	17		1,033		1,033
Share premium account	16		149		149
Profit and loss account	16		25,502		6,839
<b>Shareholders' funds</b>	19		<u>26,684</u>		<u>8,021</u>

Approved by the Board and authorised for issue on 4 December 2014

Mr J Rigby  
Director



Company Registration No. 01160482

# **SPECIALIST COMPUTER HOLDINGS (UK) LIMITED (FORMERLY SPECIALIST COMPUTER HOLDINGS (UK) PLC)**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 MARCH 2014**

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#### **1 Accounting policies**

##### **1.1 Basis of accounting**

The financial statements are prepared under the historical cost convention.

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards. The particular accounting policies adopted are described below. These have been applied consistently throughout the year and preceding year.

##### **1.2 Going concern**

The company's business activities, together with factors likely to affect its future developments, performance and position are set out in the Business Review on page 1. The director's report on pages 1 to 3 describes the financial position of the company; its financial risk management objectives and its exposure to liquidity and funding risk.

The company is part of the Rigby Group (RG) plc ("RG") group, which has secured banking facilities in both the UK and Continental Europe which are used to meet its day to day working capital requirements. The current economic conditions create uncertainty particularly over (a) the level of demand for the group's products and services; (b) the exchange rate between Sterling and Euro and (c) the availability of bank finance in the foreseeable future.

The RG group has one primary source of external finance in the UK, where loans and an overdraft are secured over the trade receivables of Specialist Computer Centres plc. The existing UK facility is scheduled to expire in February 2015. Advances under this facility are subject to interest at 1.40% over base rate.

The company and the RG group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group and company should be able to operate within the level of its current facilities and available cash resources.

As a consequence, the directors believe that the group is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

##### **1.3 Turnover**

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes. Revenue is recognised when persuasive evidence of an arrangement with a customer exists, delivery has occurred or all significant performance obligations have been completed, the price is fixed or determinable and the collection of the amount due is reasonably assured. Income from service contracts is recognised on a straight line basis over the period of the contracts.

##### **1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Aircraft	15 years
Fixtures, fittings & equipment	3 to 10 years
Motor vehicles	4 years

**SPECIALIST COMPUTER HOLDINGS (UK) LIMITED (FORMERLY SPECIALIST  
COMPUTER HOLDINGS (UK) PLC)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2014***

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**1 Accounting policies (Continued)**

**1.5 Investments**

Fixed asset investments are stated at cost less provision for impairment.

**1.6 Pensions**

The company makes contributions to a defined contribution Group Personal Pension Plan. The amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

**1.7 Foreign currency translation**

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate, any resulting differences are accounted for in the Profit and Loss Account.

**1.8 Taxation**

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

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments 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 than likely that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

**2 Segmental information**

The whole of the company's turnover in the prior year was derived from the provision of air transport services to third parties and has arisen wholly within the United Kingdom. The whole of the company's operating loss has arisen wholly within the United Kingdom.

**SPECIALIST COMPUTER HOLDINGS (UK) LIMITED (FORMERLY SPECIALIST  
COMPUTER HOLDINGS (UK) PLC)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2014**

<b>3 Profit on ordinary activities before taxation</b>	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Profit on ordinary activities before taxation is stated after charging:		
Depreciation of tangible assets	67	93
Foreign exchange losses	-	9
Fees payable to the company's auditor for the audit of the company's annual accounts	2	2
and after crediting:		
Profit on disposal of tangible assets	-	(1)
	<u>          </u>	<u>          </u>

**4 Exceptional operating expenses**

During the year, the group undertook a company rationalisation to reduce the number of dormant companies. Exceptional operating expenses of £11,195,000 were incurred as a result of the group rationalisation, which comprise:

	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Write off of intercompany balances	25	-
Write off of investments in subsidiaries	11,170	-
	<u>          </u>	<u>          </u>
	11,195	-
	<u>          </u>	<u>          </u>

The effect on taxation of the exceptional operating expenses was £Nil (2013 - £Nil).

<b>5 Investment income</b>	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Income from shares in group undertakings	29,953	96,000
	<u>          </u>	<u>          </u>

<b>6 Interest payable</b>	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
On bank loans and overdrafts	8	545
	<u>          </u>	<u>          </u>
	8	545
	<u>          </u>	<u>          </u>

**SPECIALIST COMPUTER HOLDINGS (UK) LIMITED (FORMERLY SPECIALIST  
COMPUTER HOLDINGS (UK) PLC)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2014**

**7 Employees**

**Number of employees**

The average monthly number of employees (including directors) during the year was:

	<b>2014</b>	<b>2013</b>
	<b>Number</b>	<b>Number</b>
Administration	5	14

**Employment costs**

	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	-	1,333
Social security costs	-	184
Other pension costs (see note 18)	-	76
	-	1,593

During the year, the costs of the employees of the company were transferred to Rigby Group (RG) plc or Specialist Computer Centres plc

**8 Directors' remuneration**

	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Remuneration for qualifying services	129	129
Company pension contributions to defined contribution schemes	31	31
	160	160

The remuneration of Mr D Marsh were paid by Specialist Computer Centres plc, a subsidiary undertaking.

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2013 - 1).

It is not practicable to determine the proportion of the emoluments of Sir Peter Rigby, Ms P Rigby and Mr J Rigby and Mr S Rigby which are attributable to the directors' services to the company. However, the total emoluments for these directors are taken into account in the disclosure of directors' emoluments in the financial statements of Rigby Group (RG) plc, the ultimate parent undertaking.

**SPECIALIST COMPUTER HOLDINGS (UK) LIMITED (FORMERLY SPECIALIST  
COMPUTER HOLDINGS (UK) PLC)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2014**

9	<b>Taxation</b>	<b>2014</b>	<b>2013</b>
		<b>£'000</b>	<b>£'000</b>
	<b>Total current tax</b>	-	-
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	8	108
	Deferred tax adjustments arising in previous periods	17	15
		<u>25</u>	<u>123</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	18,688	91,944
		<u>18,688</u>	<u>91,944</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.00% (2013 - 24.00%)	4,298	22,067
		<u>4,298</u>	<u>22,067</u>
	Effects of:		
	Expenses not deductible for tax purposes	2,586	18
	Capital allowances in excess of depreciation	(9)	(78)
	Other timing differences	-	(35)
	Income not taxable for tax purposes	(6,889)	(23,040)
	Surrender of group relief not paid for	14	1,068
		<u>(4,298)</u>	<u>(22,067)</u>
	<b>Current tax charge for the year</b>	-	-
		<u>-</u>	<u>-</u>

The company earns its profits primarily in the UK, therefore the tax rate used for tax on profit on ordinary activities is the standard rate for UK corporation tax, currently 23%.

The corporation tax rate reduced from 24% to 23% with effect from 1 April 2013. The March 2013 budget announced that the main rate of corporation tax would reduce to 21% from 1 April 2014 and to 20% from 1 April 2015.

The legislation to reduce the tax rate to 21% from 1 April 2014 and 20% from 1 April 2015 was substantively enacted on 17 July 2013 and therefore has been reflected in the financial statements for the purpose of calculating deferred tax assets and liabilities (2013 - 23%).



**SPECIALIST COMPUTER HOLDINGS (UK) LIMITED (FORMERLY SPECIALIST  
COMPUTER HOLDINGS (UK) PLC)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2014**

<b>10 Dividends</b>			<b>2014</b>	<b>2013</b>
			<b>£'000</b>	<b>£'000</b>
Final dividend of £Nil (2013 - £5.00) per ordinary share			-	100,000
			<u>          </u>	<u>          </u>
<b>11 Tangible fixed assets</b>	<b>Aircraft</b>	<b>Fixtures, fittings &amp; equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Cost</b>				
At 1 April 2013	1,500	31	252	1,783
Disposals	(1,500)	-	(208)	(1,708)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 March 2014	-	31	44	75
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation</b>				
At 1 April 2013	108	5	130	243
Disposals	(114)	-	(144)	(258)
Charge for the year	6	3	58	67
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 March 2014	-	8	44	52
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net book value</b>				
At 31 March 2014	-	23	-	23
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 March 2013	1,392	26	122	1,540
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**SPECIALIST COMPUTER HOLDINGS (UK) LIMITED (FORMERLY SPECIALIST  
COMPUTER HOLDINGS (UK) PLC)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2014**

**12 Fixed asset investments**

	<b>Shares in subsidiary undertakings £'000</b>
<b>Cost</b>	
At 1 April 2013	21,705
Disposals or written off	(13,901)
	<hr/>
At 31 March 2014	7,804
	<hr/>
<b>Provisions for diminution in value</b>	
At 1 April 2013	(556)
Investments written off	556
	<hr/>
At 31 March 2014	-
	<hr/>
<b>Net book value</b>	
At 31 March 2014	7,804
	<hr/> <hr/>
At 31 March 2013	21,149
	<hr/> <hr/>

Disposals or amounts written off includes £975,000 written off when Eastcote Hall Limited was dissolved; £9,544,000 written off when Compel IP Limited was liquidated and £2,175,000 disposed off when Compelsource Limited was liquidated.

As part of the dormant company elimination conducted during the year, the company acquired direct interests in Simons Magee Limited; Specialist Computer Leasing Limited; Compel Computer Company Limited; IT247 Limited; IT247.Com Limited; Compel Scotland Limited; Abtex Limited and SCC Corporation Limited for total consideration of £9. The companies were subsequently struck off.

**Holdings of more than 20%**

The company holds more than 20% of the share capital of the following companies. To avoid a statement of excessive length, details of investments which are not significant have been omitted.

<b>Company</b>	<b>Country of incorporation</b>	<b>Principal activity</b>	<b>Percentage holding %</b>
Specialist Computer Centres plc	England and Wales	Systems integration	100
Specialist Computer Recruitment Limited	England and Wales	IT recruitment	100
Specialist Computer Services Limited	England and Wales	Bureau services	100
Specialist Computer Properties Limited	England and Wales	Management of group properties	100
Technical Support Group Limited	England and Wales	Computer services	100

All of the above investments are indirectly held.

**SPECIALIST COMPUTER HOLDINGS (UK) LIMITED (FORMERLY SPECIALIST  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2014***

<b>13 Debtors</b>	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Amounts owed by group undertakings	127,236	104,090
Other debtors	1	434
Prepayments and accrued income	-	130
Deferred tax asset (see note 15)	264	289
	<u>127,501</u>	<u>104,943</u>
	<u><u>127,501</u></u>	<u><u>104,943</u></u>
<b>14 Creditors: amounts falling due within one year</b>	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Bank loans and overdrafts	106,631	112,753
Trade creditors	-	22
Amounts owed to group undertakings	1,984	3,648
Taxes and social security costs	-	2,308
Accruals and deferred income	32	885
	<u>108,647</u>	<u>119,616</u>
	<u><u>108,647</u></u>	<u><u>119,616</u></u>
Debt due in one year or less	<u>106,631</u>	<u>112,753</u>
	<u><u>106,631</u></u>	<u><u>112,753</u></u>

The bank overdraft is secured by unlimited multi-lateral guarantees provided by certain other UK group companies (see note 20).

**SPECIALIST COMPUTER HOLDINGS (UK) LIMITED (FORMERLY SPECIALIST  
COMPUTER HOLDINGS (UK) PLC)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2014**

**15 Provisions for liabilities**

The deferred tax asset (included in debtors, note 13) is made up as follows:

	<b>2014</b>	
	<b>£'000</b>	
Balance at 1 April 2013	(289)	
Profit and loss account	25	
	<u>(264)</u>	
Balance at 31 March 2014	<u><u>(264)</u></u>	

	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Decelerated capital allowances	(219)	(261)
Other timing differences	(45)	(28)
	<u>(264)</u>	<u>(289)</u>
	<u><u>(264)</u></u>	<u><u>(289)</u></u>

**16 Statement of movements on reserves**

	<b>Share premium account £'000</b>	<b>Profit and loss account £'000</b>
Balance at 1 April 2013	149	6,839
Profit for the year	-	18,663
	<u>149</u>	<u>25,502</u>
Balance at 31 March 2014	<u><u>149</u></u>	<u><u>25,502</u></u>

**17 Share capital**

	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
<b>Allotted, called up and fully paid</b>		
20,000,000 Ordinary shares of 5p each	1,000	1,000
653,750 B Ordinary shares of 5p each	33	33
	<u>1,033</u>	<u>1,033</u>
	<u><u>1,033</u></u>	<u><u>1,033</u></u>

The ordinary shares and 'B' ordinary shares rank pari passu in all respects other than dividend rights.

The 'B' ordinary shares carry rights to a dividend only subject to a dividend being paid in respect of the ordinary shares and at least 75% of the holders of these shares agreeing the payment.

**SPECIALIST COMPUTER HOLDINGS (UK) LIMITED (FORMERLY SPECIALIST  
COMPUTER HOLDINGS (UK) PLC)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2014***

**18 Pension and other post-retirement benefit commitments**

**Defined contribution**

	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Contributions payable by the company for the year	31	76

The pension costs were paid by Specialist Computer Centres plc, a subsidiary undertaking.

**19 Reconciliation of movements in shareholders' funds**

	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Profit for the financial year	18,663	91,821
Dividends (see note 10)	-	(100,000)
Net addition to (depletion in) shareholders' funds	18,663	(8,179)
Opening shareholders' funds	8,021	16,200
Closing shareholders' funds	26,684	8,021

**20 Contingent liabilities**

There are cross guarantees on the overdrafts of certain undertakings in the group and certain bank loans. At 31 March 2014, the indebtedness of the UK group undertakings amounted to £5,893,000 (2013 - £4,934,000).

**21 Control**

***Ultimate parent undertaking***

The company is a subsidiary undertaking of SCC EMEA Limited (formerly SCC EMEA plc) ("SCC EMEA"), a company registered in England and Wales. The results of SCC EMEA are consolidated into those of Rigby Group (RG) plc ("RG"), registered in England and Wales, whose principal place of business is at Bridgeway House, Stratford-upon-Avon, Warwickshire, CV37 6YX. The largest and the smallest group of which the company is a member, and for which group financial statements are drawn up, is that headed by Rigby Group (RG) plc, whose principal place of business is at Bridgeway House, Stratford-upon-Avon, Warwickshire, CV37 6YX. The consolidated financial statements are available at that address.

As a subsidiary undertaking of SCC EMEA, the company has taken advantage of the exemption in Financial Reporting Standard Number 8 "Related party disclosures" from disclosing transactions with other members of the group headed by Rigby Group (RG) plc.

***Ultimate controlling body***

Sir Peter Rigby, a director of Rigby Group (RG) plc, controlled the company as a result of holding 75% of the issued ordinary share capital of Rigby Group (RG) plc, the ultimate parent company.