

Registration number: 01131358

J M COMPUTING LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD FROM 01 JULY 2014 TO 01 MAY 2015

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J M COMPUTING LIMITED

CONTENTS

Company Information	1
Directors' Report	2
Strategic Report	3
Statement of Directors' Responsibilities	4
Independent Auditor's Report	5 to 6
Profit and Loss Account	7
Statement of Total Recognised Gains and Losses	8
Balance Sheet	9
Notes to the Financial Statements	10 to 18

J M COMPUTING LIMITED
COMPANY INFORMATION

Directors	R K Howard S C Gray
Company secretary	R K Howard
Registered office:	Big Studios 1 East Poultry Avenue EC1A 9PT London
Auditors:	Hazlewoods LLP Staverton Court Staverton Cheltenham GL51 0UX
Bankers	Lloyds Bank Manchester M60 2ES

J M COMPUTING LIMITED
DIRECTORS' REPORT
FOR THE PERIOD ENDED 1 MAY 2015

The directors present their report and the financial statements for the period from 01 July 2014 to 01 May 2015.

Directors of the company

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

A C Burgess (resigned 01 May 2015)

T C Maxwell (resigned 01 May 2015)

M J Bentley (resigned 01 May 2015)

N J Isherwood (resigned 01 May 2015)

M Sykes (resigned 01 May 2015)

D Gill (resigned 01 May 2015)

R P Jones (resigned 01 May 2015)

L Steele (resigned 01 May 2015)

R K Howard (appointed 01 May 2015)

S C Gray (appointed 01 May 2015)

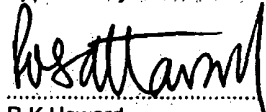
Disclosure of information to the auditor

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

Medium sized company provisions

This report has been prepared in accordance with the special provisions relating to medium-sized companies within Part 15 of the Companies Act 2006.

Approved by the Board on 25.04.15 and signed on its behalf by:



R K Howard
Director

J M COMPUTING LIMITED

STRATEGIC REPORT FOR THE PERIOD FROM 1 JULY 2014 TO 1 MAY 2015.

The directors present their strategic report for the period from 1 July 2014 to 1 May 2015.

Principal activity

The principal activity of the company is the provision of IT support services, infrastructure and business management software.

Business review

Fair review of the business

The directors are satisfied with the results for the period and consider the financial position of the company at the year end to be a firm basis for further development.

On 1 May 2015, the company's parent undertaking, JMC IT Group Limited, was acquired by I.T. Lab Limited, a London based technology and managed services provider. Following the acquisition, the directors have reviewed certain accounting policies and estimates used in the preparation of company's financial statements. As a result, a prior year adjustment has been processed, the details of which are set out note 17 to these financial statements.

The directors consider that the acquisition of the group by I.T. Lab Limited will enable enlarged growth across the I.T. Lab Group by expanding the customer base, maximising service offerings and developing synergies through economies of scale.

The directors do not believe there are any additional key performance indicators that assist in the understanding of the business.

Principal risks and uncertainties

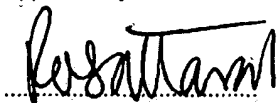
Liquidity risk

The directors aim to ensure that the company has sufficient liquid resources to meet its operational requirements. This is closely monitored by the directors,

Credit risk

The company offers certain of its customer's credit. Before credit terms are agreed, an assessment of the customer's credit rating is undertaken to ensure the customer does not represent a major credit risk to the company. Credit terms are set accordingly.

Approved by the Board on 15.10.11 and signed on its behalf by:



R K Howard
Director

J M COMPUTING LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Director's Report, Strategic Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
J M COMPUTING LIMITED**

We have audited the financial statements of J M Computing Limited for the period from 01 July 2014 to 01 May 2015, set out on pages 7 to 18. 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 auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 4), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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 (APB'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 and the Strategic 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 the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 01 May 2015 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report and the Strategic Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
J M COMPUTING LIMITED**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

.....
Paul Fussell (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditors

Staverton Court
Staverton
Cheltenham
GL51 0UX

Date: 25.04.16

J M COMPUTING LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 1 MAY 2015

	Note	1 July 2014 to 1 May 2015 £	Year ended 30 June 2014 £
Turnover	2	9,362,587	10,982,512
Cost of sales		<u>(3,163,624)</u>	<u>(4,072,221)</u>
Gross profit		6,198,963	6,910,291
Administrative expenses		<u>(5,482,008)</u>	<u>(5,852,463)</u>
Operating profit	3	716,955	1,057,828
Other interest receivable and similar income	6	2,760	6,693
Interest payable and similar charges	7	<u>-</u>	<u>(189)</u>
Profit on ordinary activities before taxation		719,715	1,064,332
Tax on profit on ordinary activities	8	<u>49,804</u>	<u>(241,216)</u>
Profit for the financial period	15	<u>769,519</u>	<u>823,116</u>

Turnover and operating profit derive wholly from continuing operations.

The company has no recognised gains or losses for the period other than the results above.

J M COMPUTING LIMITED

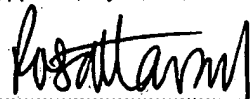
**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE PERIOD FROM 1 JULY 2014 TO 1 MAY 2015**

	1 July 2014 to 1 May 2015 £	Year ended 30 June 2014 £
Profit for the financial period	769,519	823,116
Prior year adjustment	17 (172,701)	-
Total recognised gains and losses since last annual report	<u>596,818</u>	<u>823,116</u>

J M COMPUTING LIMITED
(REGISTRATION NUMBER: 01131358)
BALANCE SHEET
AS AT 1 MAY 2015

	Note	1 May 2015 £	(As restated) 30 June 2014 £
Fixed assets			
Tangible fixed assets	9	153,828	275,499
Current assets			
Stocks	10	87,966	166,618
Debtors	11	4,425,301	2,497,458
Cash at bank and in hand		640,946	1,858,935
		<u>5,154,213</u>	<u>4,523,011</u>
Creditors: Amounts falling due within one year	12	<u>(4,015,333)</u>	<u>(3,885,231)</u>
Net current assets		1,138,880	637,780
Total assets less current liabilities		<u>1,292,708</u>	<u>913,279</u>
Provisions for liabilities	13	<u>(1,193)</u>	<u>(22,405)</u>
Net assets		<u>1,291,515</u>	<u>890,874</u>
Capital and reserves			
Called up share capital	14	10,000	10,000
Profit and loss account	15	1,281,515	880,874
Shareholders' funds	16	<u>1,291,515</u>	<u>890,874</u>

Approved by the Board and authorised for issue on 25.9.15 and signed on its behalf by:



R K Howard
 Director

J M COMPUTING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 MAY 2015

1 Accounting policies

Basis of preparation

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

The company is exempt from preparing a cash flow statement as 90% or more of the voting rights are held within the group.

Going concern

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

The company is well funded and the directors have not identified any threats to the business that indicate that the going concern basis of accounting is inappropriate.

Turnover

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

Tangible fixed assets and depreciation

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

Asset class	Depreciation method and rate
Long term leasehold property	15% straight line
Motor vehicles	25% reducing balance
Fixtures and fittings	20% reducing balance
Computer equipment	33% to 50% straight line
Bicycles	100% straight line

Stock

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

Operating leases

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

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

Deferred tax

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

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

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

J M COMPUTING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 MAY 2015

Pensions

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

2 Turnover

The whole of the turnover is attributable to the provision of goods and services during the year, exclusive of Value Added Tax, and is recognised when the goods have been despatched or the services have been provided. Deferred income arises from the allocation of support income over the period of the support contract.

All turnover arose within the United Kingdom.

3 Operating profit

Operating profit is stated after charging:

	1 July 2014 to 1 May 2015 £	Year ended 30 June 2014 £
Operating leases - plant and machinery	194,424	177,507
Operating leases - other assets	195,000	199,999
Loss on sale of tangible fixed assets	54,745	250
Depreciation of owned assets	123,773	143,382
Auditor's remuneration - audit	14,000	14,000
Auditor's remuneration - non-audit	3,000	3,000
	<u>3,000</u>	<u>3,000</u>

4 Particulars of employees

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

	1 July 2014 to 1 May 2015 No.	Year ended 30 June 2014 No.
Administration	21	17
Technical	56	53
Sales and distribution	18	15
Management	8	8
	<u>103</u>	<u>93</u>

The aggregate payroll costs were as follows:

	1 July 2014 to 1 May 2015 £	Year ended 30 June 2014 £
Wages and salaries	3,402,752	3,757,989
Social security costs	404,997	453,107
Staff pensions	220,664	247,313
	<u>4,028,413</u>	<u>4,458,409</u>

J M COMPUTING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 MAY 2015

5 Directors' remuneration

The directors' remuneration for the period was as follows:

	1 July 2014 to 1 May 2015 £	Year ended 30 June 2014 £
Remuneration (including benefits in kind)	705,941	735,341
Company contributions paid to money purchase schemes	<u>64,108</u>	<u>74,515</u>

During the period the number of directors who were receiving benefits and share incentives was as follows:

	1 July 2014 to 1 May 2015 No.	Year ended 30 June 2014 No.
Accruing benefits under defined benefit pension scheme	<u>8</u>	<u>8</u>

In respect of the highest paid director:

	1 July 2014 to 1 May 2015 £	Year ended 30 June 2014 £
Remuneration	139,654	139,597
Company contributions to money purchase pension schemes	<u>10,286</u>	<u>11,983</u>

6 Other interest receivable and similar income

	1 July 2014 to 1 May 2015 £	Year ended 30 June 2014 £
Other interest receivable	<u>2,760</u>	<u>6,693</u>

7 Interest payable and similar charges

	1 July 2014 to 1 May 2015 £	Year ended 30 June 2014 £
Other interest payable	<u>-</u>	<u>189</u>

J M COMPUTING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 MAY 2015

8 Taxation

Tax on profit on ordinary activities

	1 July 2014 to 1 May 2015 £	Year ended 30 June 2014 £
Current tax		
Corporation tax (credit)/charge	(28,592)	213,121
Deferred tax		
Origination and reversal of timing differences	(21,212)	28,095
Total tax on profit on ordinary activities	<u>(49,804)</u>	<u>241,216</u>

Factors affecting current tax charge for the period

Tax on profit on ordinary activities for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 20% (2014 - 22.5%).

The differences are reconciled below:

	1 July 2014 to 1 May 2015 £	Year ended 30 June 2014 £
Profit on ordinary activities before taxation	<u>719,715</u>	<u>1,064,332</u>
Corporation tax at standard rate	143,943	239,475
Capital allowances in excess of depreciation	19,937	(32,904)
Short term timing differences	209	3,218
Group relief	(265)	(2,138)
Income not taxable for tax purposes	(701)	-
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	912	5,470
Adjustments to brought forward values	(1,376)	-
Adjustments to tax charge in respect of previous periods	(32,378)	-
Fixed asset differences	587	-
Other permanent differences	(156,936)	-
Other tax adjustments, reliefs and transfers	(1,251)	-
Additional deduction for land remediation expenditure	(1,273)	-
Total current tax	<u>(28,592)</u>	<u>213,121</u>

J M COMPUTING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 MAY 2015

9 Tangible fixed assets

	Long term leasehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Total £
Cost or valuation					
At 1 July 2014	55,164	107,523	16,717	963,649	1,143,053
Additions	3,934	15,031	7,531	37,812	64,308
Disposals	(497)	(31,685)	(8,040)	(279,716)	(319,938)
At 1 May 2015	<u>58,601</u>	<u>90,869</u>	<u>16,208</u>	<u>721,745</u>	<u>887,423</u>
Depreciation					
At 1 July 2014	46,213	85,348	10,832	725,161	867,554
Charge for period	3,572	5,102	8,404	106,695	123,773
Eliminated on disposals	(493)	(24,584)	(6,992)	(225,663)	(257,732)
At 1 May 2015	<u>49,292</u>	<u>65,866</u>	<u>12,244</u>	<u>606,193</u>	<u>733,595</u>
Net book value					
At 1 May 2015	<u>9,309</u>	<u>25,003</u>	<u>3,964</u>	<u>115,552</u>	<u>153,828</u>
At 30 June 2014	<u>8,951</u>	<u>22,175</u>	<u>5,885</u>	<u>238,488</u>	<u>275,499</u>

10. Stocks

	1 May 2015 £	(As restated) 30 June 2014 £
Stocks	<u>87,966</u>	<u>166,618</u>

11 Debtors

	1 May 2015 £	30 June 2014 £
Trade debtors	1,958,376	1,855,984
Amounts owed by group undertakings	1,915,198	368,883
Other debtors	255,178	85,589
Prepayments and accrued income	296,549	187,002
	<u>4,425,301</u>	<u>2,497,458</u>

J M COMPUTING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 MAY 2015

12 Creditors: Amounts falling due within one year

	1 May 2015 £	(As restated) 30 June 2014 £
Trade creditors	629,682	780,421
Amounts owed to group undertakings	-	100
Corporation tax	-	72,946
Other taxes and social security	659,117	494,943
Other creditors	160,495	164,025
Accruals and deferred income	2,566,039	2,372,796
	<u>4,015,333</u>	<u>3,885,231</u>

13 Provisions

	Deferred tax £
At 1 July 2014	22,405
Credited to the profit and loss account	<u>(21,212)</u>
At 1 May 2015	<u>1,193</u>

Analysis of deferred tax

	1 May 2015 £	30 June 2014 £
Accelerated capital allowances	4,662	25,828
Short term timing differences	<u>(3,469)</u>	<u>(3,423)</u>
	<u>1,193</u>	<u>22,405</u>

14 Share capital

Allotted, called up and fully paid shares

	1 May 2015		30 June 2014	
	No.	£	No.	£
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

J M COMPUTING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 MAY 2015

15 Reserves

	Profit and loss account £
At 1 July 2014	1,053,575
Prior period adjustment	<u>(172,701)</u>
At 1 July 2014 as restated	880,874
Profit for the period	769,519
Dividends	<u>(368,878)</u>
At 1 May 2015	<u><u>1,281,515</u></u>

16 Reconciliation of movement in shareholders' funds

	1 July 2014 to 1 May 2015 £	(As restated) Year ended 30 June 2014 £
Profit attributable to the members of the company	769,519	823,116
Dividends	<u>(368,878)</u>	-
Net addition to shareholders' funds	400,641	823,116
Shareholders' funds at start of period (previously £1,063,575 before prior year adjustment of £172,701)	<u>890,874</u>	<u>67,758</u>
Shareholders' funds at end of period	<u><u>1,291,515</u></u>	<u><u>890,874</u></u>

J M COMPUTING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 MAY 2015

17 Prior period adjustments

Following the acquisition of the company by I.T. Lab Limited on 1 May 2015, the directors have reviewed certain accounting policies and estimates in the company's prior year financial statements. As a result, a prior year adjustment has been made relating to the following:

- Changes in accounting policy relating to the treatment of certain stocks; and
- The correction of calculations relating to deferred income.

The impact on the above on the results for the year ended 30 June 2014 was as follows:

- Decrease in stocks of £34,574
- Increase in accruals and deferred income of £181,302
- Decrease in corporation tax and deferred tax of £43,175
- Decrease in profit and loss reserves at 1 July 2013 of £172,701

The impact on the reported profits for the year ended 30 June 2014 was considered immaterial and therefore no adjustment has been made to the comparative profit and loss account.

18 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £220,664 (2014 - £247,313).

Contributions totalling £15,445 (2014 - £15,302) were payable to the schemes at the end of the period and are included in creditors.

J M COMPUTING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 MAY 2015

19 Commitments

Operating lease commitments

As at 1 May 2015 the company had annual commitments under non-cancellable operating leases as follows:
 Operating leases which expire:

	1 May 2015	30 June 2014
	£	£
Land and buildings		
Within one year	-	4,833
Within two and five years	195,000	-
Over five years	-	195,000
	<u>195,000</u>	<u>199,833</u>
Other		
Within one year	25,705	29,396
Within two and five years	119,702	129,135
	<u>145,407</u>	<u>158,531</u>

20 Related party transactions.

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group.

On 3 July 2014, certain directors received interest free loan advances as follows; A C Burgess - £122,500, T C Maxwell - £38,500 and M J Bentley - £43,750. In the period to 1 May 2015, further advances to the above and other directors of £2,577 were made. The maximum balances owing from the directors during the period was A C Burgess - £123,828, T C Maxwell - £38,917, M J Bentley - £44,224 and others - £358. The loans were settled in full on 1 May 2015.

21 Control

The immediate parent company, JMC IT Holdings Limited, is a subsidiary undertaking of JMC Group Limited, a company incorporated in England and Wales. JMC Group Limited is a subsidiary undertaking of JMC IT Group Limited, a company incorporated in England and Wales and which until 1 May 2015 was the ultimate parent company.

On 1 May 2015, 100% of the ordinary share capital of JMC IT Group Limited was acquired by I.T. Lab Limited, a company incorporated in England and Wales. I.T. Lab Limited is a subsidiary undertaking of I.T. Lab Enterprises Limited, a company incorporated in England and Wales. The ultimate controlling party of I.T. Lab Enterprises Limited by virtue of their shareholding is S C Gray.