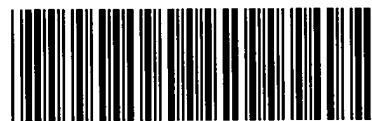


3
15
Company no:
02765607

Controlaccount plc
Report and Accounts
31 December 2014

FRIDAY



A49VNYAJ

A15

19/06/2015

#36

COMPANIES HOUSE

Collins
Chartered Accountants
West Midlands

Controlaccount plc
Report and accounts
Contents

	Page
Company information	1
Directors' report	2
Strategic report	4
Independent auditors' report	5
Profit and loss account	6
Balance sheet	7
Cash flow statement	8
Notes to the accounts	9

Controlaccount plc
Company Information

Directors	D Harvey P Husband G A R Ball I Mitchell
Secretary	D Harvey
Auditors	Collins The Lodge, Castle Bromwich Hall Chester Road Castle Bromwich B36 9DE
Registered office	Waterside Hanbury Road Bromsgrove Worcestershire B60 4FD
Company number	02765607

Controlaccount plc

Directors' Report

The directors present their Directors Report and financial statements for the year ended 31 December 2014.

Principal activities

The company's principal activity during the year continued to be that of a debt collection agency, providing a range of credit management and debt recovery solutions to a diverse range of industry sectors.

Future developments

Looking to the future Controlaccount has a quality brand, extensive knowledge of the markets we serve combined with strong customer relationships, enabling the Company to apply its leading-edge technologies and deliver bespoke solutions to client applications that drive performance and improve efficiency.

The business is managed by an experienced senior team which sets the strategic direction and continuously seeks opportunities to improve the service, operational controls, identify new markets and develop employees promoting a culture of transparency, responsibility and accountability.

Our clear and consistent strategy has enabled strong and steady business performance while allowing expansion into areas of growth. We look to build on this by leveraging our key competitive strengths through a focused corporate strategy that will deliver growth in both revenue and profitability. The key elements of the Controlaccount strategy include:

- Continuing to optimise our assets, offering excellent service to our customers and achieve our regulatory obligations. Through training and the development of talented people, we will continue to offer all our employees terms and conditions commensurate with other employers operating in our sector.
- Continued investment in technology that delivers competitive advantage and operational efficiencies;
- Consistently look to identify customers' needs that can be solved by our capabilities;
- Improving margins through a continuous drive for operational efficiencies;
- Delivering sales growth through investment in organic growth drivers such as new product/service development;

We manage the business to drive sales growth, improve margins, maximise cash-flows and enhance returns for our shareholders while promoting a culture of responsibility. We measure our performance and the effectiveness of our strategy through key performance indicators.

Dividends

Dividends of £214,460 were declared and paid in the year on the Ordinary shares.

Directors

The following persons served as directors during the year:

D Harvey
P Husband
G A R Ball
I Mitchell

Controlaccount plc

Directors' Report

Directors' responsibilities

The directors are responsible for preparing the Directors Report and 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 accounts, 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, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

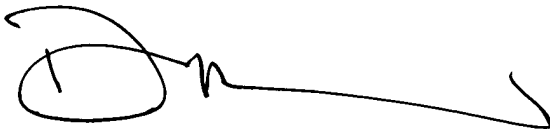
Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the necessary steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board on 22 May 2015 and signed on its behalf.

D Harvey
Director



Controlaccount plc

Strategic Report

The directors present their strategic report for the year ending 31 December 2014.

Review of the business

Controlaccount Plc delivered another year of good growth across all areas of activity underpinning our business model to create value for the long term. In a busy year we continued developing our software platform "CogendaWorks" to support multi-faceted collection models and cloud based applications for greater customer interaction with our service. Secure feature rich software defined communication systems strengthen our competitive advantage are more productive and provide the digital tools and information that our customers need for effortless efficiency.

Delivering quality services continues to be a core strategy for the business and we remain focused on developing personnel and expertise to drive performance across all areas of the business. During the year we incorporated an ISO 9001 quality management system across all areas of activity to strengthen existing procedures to enable sustainable future growth.

The directors are satisfied with the performance of the company as reported in the financial statements and will continue to invest to drive revenue growth, customer value and shareholder returns, while broadening our product range and optimising efficiency for increased profitability. Re-negotiated terms with a large customer and the extension of a major contract through to the end of 2017 will spearhead additional growth during the next trading year and beyond

Principal risks and uncertainties

Economic climate

Continued market confidence will lead to higher levels of debt available from existing and new customers. The directors are confident in the Company's abilities to continue to maintain current customers through innovative process which drives performance and develop opportunities through complementary services, creating the ability to recruit new business from both traditional and niche markets in the UK and Worldwide.

Liquidity risk

The directors consider that the Company has sufficient current assets to enable it to continue to trade and to pay its liabilities as and when they become due.

Retention of key people

Reducing uncontrolled employee turnover is a major strategic challenge for the business as it's important that key people working at all levels are retained and developed. The directors take a collaborative, supportive, and nurturing approach to the recruitment and retention of staff which has resulted in low attrition rates.

Competitor activity

The business operates in a large and competitive market that has a substantial number of high profile and medium size competitors. Our challenge in developing existing customers and attracting new business is how we improve our offering. The directors have invested in the service by the development of feature rich software that keep our customer connected to the service effortlessly across all boundaries, with improved response times and extend range of service. Similarly operations and other areas of the business are focused on performance in every aspect to ensure Controlaccount operates to the highest standards and continues to maintain current contracts and attract new business.

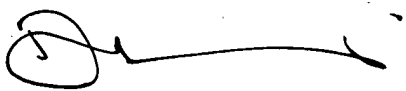
Key performance indicators

The Companies business model is extensive and relies on the timely execution of key tasks, high quality actions and early identification of problems. To ensure consistent performance the Company employs a range of key performance indicators to measure and refine the recovery process, drive employee performance and to improve quality aspects of service delivery in all areas of the business

Whilst many of these KPI's have little significance on their own when relating them to year end accounts, together they make a substantial contribution to the overall results and can be seen in the ratio of earnings per productive employee which show an increase of 8.5% during the year from £49,334.00 to £53,534.00

This report was approved by the board on 22 May 2015 and signed on its behalf.

D Harvey
Director



Controlaccount plc
Independent auditors' report
To the shareholders of Controlaccount plc

We have audited the financial statements of Controlaccount plc For the year ended 31 December 2014 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities, 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 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

An audit involves obtaining evidence about the amounts and disclosures in the accounts 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 Report and Accounts to identify material inconsistencies with the audited financial statements and to identify any information that is 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 of our report.

Opinion on the accounts

In our opinion the accounts:

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

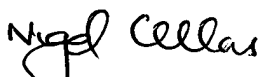
Opinion on other matters prescribed by the Companies Act 2006

In our opinion 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.

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.



Nigel Collins FCA
(Senior Statutory Auditor)
for and on behalf of
Collins
Statutory Auditor
22 May 2015

The Lodge, Castle Bromwich Hall
Chester Road
Castle Bromwich
West Midlands
B36 9DE

Controlaccount plc
Profit and Loss Account
For the year ended 31 December 2014

	Notes	2014 £	2013 £
Turnover		2,355,510	2,008,032
Cost of sales		(1,154,325)	(948,231)
Gross profit		1,201,185	1,059,801
Administrative expenses		(828,583)	(747,249)
Operating profit	3	372,602	312,552
Interest receivable		201	258
Interest payable	6	(11,018)	(7,647)
Profit on ordinary activities before taxation		361,785	305,163
Tax on profit on ordinary activities	7	(73,047)	(64,939)
Profit for the financial year		288,738	240,224

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years.

Statement of total recognised gains and losses

The company has no recognised gains or losses other than the profit for the above two financial years.

Controlaccount plc
Balance Sheet
As at 31 December 2014

	Notes	2014 £	2013 £
Fixed assets			
Tangible assets	8	244,641	248,308
Current assets			
Stocks	9	309,966	284,150
Debtors	10	356,038	371,166
Cash at bank and in hand		<u>266,663</u>	<u>284,155</u>
		932,667	939,471
Creditors: amounts falling due within one year	11	(718,643)	(808,735)
Net current assets		<u>214,024</u>	<u>130,736</u>
Total assets less current liabilities		<u>458,665</u>	<u>379,044</u>
Provisions for liabilities			
Deferred taxation	12	(20,162)	(14,819)
Net assets		<u>438,503</u>	<u>364,225</u>
Capital and reserves			
Called up share capital	13	139,901	139,901
Profit and loss account	14	298,602	224,324
Shareholders' funds	16	<u>438,503</u>	<u>364,225</u>

D Harvey

Directors

G A R Ball

Company number 02765607

Approved by the board on 22 May 2015



Controlaccount plc
Cash Flow Statement
For the year ended 31 December 2014

	Notes	2014 £	2013 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		372,602	312,552
Depreciation and amortisation		51,213	52,711
Increase in stocks		(25,816)	(48,575)
Decrease in debtors		15,128	71,482
(Decrease)/increase in creditors		(86,641)	153,351
Net cash inflow from operating activities		326,486	541,521
CASH FLOW STATEMENT			
Net cash inflow from operating activities		326,486	541,521
Returns on investments and servicing of finance	17	(10,817)	(7,389)
Taxation		(52,864)	(26,754)
Capital expenditure	17	(47,546)	(239,355)
		215,259	268,023
Equity dividends paid		(214,460)	(168,000)
		799	100,023
Increase in cash		799	100,023
Reconciliation of net cash flow to movement in net debt			
Increase in cash in the period		799	100,023
Change in net debt	18	799	100,023
Net funds/(net debt) at 1 January		94,463	(5,560)
Net funds at 31 December		95,262	94,463

Controlaccount plc
Notes to the Accounts
For the year ended 31 December 2014

1 Accounting policies

Basis of preparation

These financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards.

Turnover

Turnover represents the amounts receivable for services provided in the year net of value added tax and inclusive of the net movement during the year in work in progress.

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Fixtures and fittings	25% of cost
Computer equipment	25% and 20% of cost

Stocks

Work in progress is valued at the lower of cost and net realisable value. Cost includes a relevant proportion of overheads.

Net realisable value is based on estimated selling prices less costs to be incurred to completion.

Deferred taxation

Deferred tax is provided on the liability method on all timing differences that have originated but not reversed by the balance sheet date.

Leasing commitments

Rentals paid under operating leases are charged over the duration of the lease.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Turnover

The turnover and profit of the company for the year has been derived from its principal activities.

Controlaccount plc
Notes to the Accounts
For the year ended 31 December 2014

3 Operating profit	2014	2013
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	51,213	52,711
Operating lease rentals - plant and machinery	38,200	35,200
Operating lease rentals - land buildings	36,760	20,500
Auditors' remuneration for audit services	7,500	7,000
	<u> </u>	<u> </u>
4 Directors' emoluments	2014	2013
	£	£
Emoluments	45,539	103,140
	<u> </u>	<u> </u>
5 Staff costs	2014	2013
	£	£
Wages and salaries	957,227	853,170
Social security costs	69,638	63,911
Other pension costs	2,946	1,902
	<u>1,029,811</u>	<u>918,983</u>
Average number of employees during the year	Number	Number
Administration	21	17
Debt collectors	38	31
	<u>59</u>	<u>48</u>
6 Interest payable	2014	2013
	£	£
Bank overdrafts	5,068	4,195
Other loans	4,000	3,200
Other interest	1,950	252
	<u>11,018</u>	<u>7,647</u>

Controlaccount plc
Notes to the Accounts
For the year ended 31 December 2014

7 Taxation	2014 £	2013 £
Analysis of charge in period		
Current tax:		
Corporation tax at 20.32% (2013: 21.65%)	67,704	53,553
Adjustments in respect of previous periods	-	(87)
	<u>67,704</u>	<u>53,466</u>
Deferred tax:		
Origination and reversal of timing differences	5,343	11,473
Tax on profit on ordinary activities	<u>73,047</u>	<u>64,939</u>

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2014 £	2013 £
Profit on ordinary activities before tax	<u>361,785</u>	<u>305,163</u>
Standard rate of corporation tax in the UK	20.21%	21.65%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	73,117	66,068
Effects of:		
Expenses not deductible for tax purposes	226	(96)
Capital allowances for period in excess of depreciation	(5,639)	(12,419)
Utilisation of tax losses	-	-
Adjustments to tax charge in respect of previous periods	-	(87)
	<u>67,704</u>	<u>53,466</u>
Current tax charge for period		

Factors that may affect future tax charges

The provision for deferred tax is calculated based on tax rates enacted or substantially enacted at the balance sheet date. The rate of corporation tax at 1 April 2014 is 21% and this will be reduced by 1% in 2015. It is expected that the deferred tax will unwind at the small companies rate of 20%.

Controlaccount plc
Notes to the Accounts
For the year ended 31 December 2014

8 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At 1 January 2014	19,867	290,177	310,044
Additions	3,662	43,884	47,546
At 31 December 2014	<u>23,529</u>	<u>334,061</u>	<u>357,590</u>
Depreciation			
At 1 January 2014	10,339	51,397	61,736
Charge for the year	3,918	47,295	51,213
At 31 December 2014	<u>14,257</u>	<u>98,692</u>	<u>112,949</u>
Net book value			
At 31 December 2014	<u>9,272</u>	<u>235,369</u>	<u>244,641</u>
At 31 December 2013	<u>9,528</u>	<u>238,780</u>	<u>248,308</u>

9 Stocks

	2014 £	2013 £
Work in progress	309,966	284,150
	<u>309,966</u>	<u>284,150</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

10 Debtors

	2014 £	2013 £
Trade debtors	222,683	197,466
Prepayments and accrued income	133,355	173,700
	<u>356,038</u>	<u>371,166</u>

Controlaccount plc
Notes to the Accounts
For the year ended 31 December 2014

11 Creditors: amounts falling due within one year	2014	2013
	£	£
Bank overdrafts	131,401	149,692
Trade creditors	73,705	109,608
Client ledger	266,005	284,150
Directors loans	40,000	40,000
Corporation tax	121,257	106,417
Other taxes and social security costs	75,118	98,650
Accruals	11,157	20,218
	718,643	808,735

The bank overdrafts are secured by a debenture over all of the company's assets.

12 Deferred taxation	2014	2013
	£	£
Accelerated capital allowances	20,162	14,819
Undiscounted provision for deferred tax	20,162	14,819

	2014	2013
	£	£
At 1 January	14,819	3,346
Deferred tax charge in profit and loss account	5,343	11,473
At 31 December	20,162	14,819

13 Share capital	Nominal value	2014 Number	2014	2013
			£	£
Allotted, called up and fully paid:				
Ordinary shares	£1 each	50,000	50,000	50,000
Redeemable preference shares	£1 each	89,901	89,901	89,901
			139,901	139,901

The preference shares are non-interest bearing and must be redeemed if the company is sold.

Controlaccount plc
Notes to the Accounts
For the year ended 31 December 2014

14 Profit and loss account	2014	
	£	
At 1 January 2014	224,324	
Profit for the financial year	288,738	
Dividends	(214,460)	
At 31 December 2014	<u>298,602</u>	
15 Dividends	2014	2013
	£	£
Dividends for which the company became liable during the year:		
Dividends paid	<u>214,460</u>	<u>168,000</u>
16 Reconciliation of movement in shareholders' funds	2014	2013
	£	£
At 1 January	364,225	292,001
Profit for the financial year	288,738	240,224
Dividends	(214,460)	(168,000)
At 31 December	<u>438,503</u>	<u>364,225</u>
17 Gross cash flows	2014	2013
	£	£
Returns on investments and servicing of finance		
Interest received	201	258
Interest paid	(11,018)	(7,647)
	<u>(10,817)</u>	<u>(7,389)</u>
Capital expenditure		
Payments to acquire tangible fixed assets	<u>(47,546)</u>	<u>(239,355)</u>

Controlaccount plc
Notes to the Accounts
For the year ended 31 December 2014

18 Analysis of changes in net debt

	At 1 Jan 2014 £	Cash flows £	Non-cash changes £	At 31 Dec 2014 £
Cash at bank and in hand	284,155	(17,492)		266,663
Overdrafts	(149,692)	18,291		(131,401)
		799		
Debt due within 1 year	(40,000)	-		(40,000)
Total	94,463	799	-	95,262

19 Pension commitments

The company offers a defined contribution scheme for the benefit of certain employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £2,946 (2013 £1,902)

20 Other financial commitments

At the year end the company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings 2014 £	Land and buildings 2013 £	Other 2014 £	Other 2013 £
Operating leases which expire:				
within one year	-	-	-	8,230
within two to five years	36,760	22,760	39,205	38,221
	36,760	22,760	39,205	46,451

Controlaccount plc
Notes to the Accounts
For the year ended 31 December 2014

21 Related party transactions	2014 £	2013 £
D Harvey		
Director of the company		
Loan made to the company		
Amount due to the related party	20,000	20,000
P Husband		
Director of the company		
Loan made to the company		
Amount due to the related party	20,000	20,000

22 Ultimate controlling party

In the opinion of the directors the ultimate holding company is Broadriver Ltd a company incorporated in England and Wales.