

**Report of the Directors and  
Audited Financial Statements  
for the Year Ended 30 April 2010  
for  
A.T.M.S. plc**

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for the Year Ended 30 April 2010**

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**A.T.M.S. plc**  
**Company Information**  
**for the Year Ended 30 April 2010**

<b>DIRECTORS.</b>	S D Cross P G Evans S Warburton
<b>SECRETARY:</b>	S D Cross
<b>REGISTERED OFFICE:</b>	1 Holt Court South Jennens Road Birmingham West Midlands B7 4EJ
<b>REGISTERED NUMBER:</b>	01825688
<b>SENIOR STATUTORY AUDITOR:</b>	Christopher B Locke
<b>AUDITORS:</b>	Locke Williams Associates LLP Chartered Accountants Registered Auditors C/O Blackthorn House St Pauls Square Birmingham West Midlands B3 1RL

**Report of the Directors  
for the Year Ended 30 April 2010**

The directors present their report and the audited financial statements for the year ended 30 April 2010

We aim to present a balanced review of the development and performance of the business during the year and the position at the year end. The review is consistent with the size and non complex nature of the business

**PRINCIPAL ACTIVITIES**

The principal activities of the company in the year under review were those of

- o The design and supply of its own Warehouse management system. The company owns the Intellectual Property Rights of this software
- o The installation of the software together with the provision of project management, consultancy and training
- o Warehouse design consultancy
- o Provision of support contracts to look after customers software which includes patches, security updates and version upgrades together with the provision of a telephone help desk and knowledge base
- o Supply of radio data terminals and related radio infrastructure to allow real time updating of the database

**REVIEW OF BUSINESS**

**Financial Performance**

The results for the year and the financial position at the year end were considered satisfactory by the directors, who expect continued growth in the foreseeable future

Turnover for the year fell from £1.7m to £1.6m which was considered acceptable given the general state of the economy (the company took a strategic decision five years ago to focus on the higher value added software and services aspect of its business, whilst moving away from lower added value hardware sales and overseas work of ATMS plc is now carried out by sister companies and partners of ATMS). Gross margin fell from 78.7% to 76.3%. Administrative expenses were £171k lower (2009 £112k lower) than last year as we constantly monitor all expenditure. Administrative expenses will be lower again next year as we have been able to significantly reduce our office rental costs through remote working and renegotiation of the lease is ongoing.

**Strategy**

The company aims to grow by

- o Organic growth in the UK
- o Sales to associated companies in Dubai, China and Europe
- o Sales to partners both in the UK and overseas
- o Acquisitions

For 26 years ATMS has been working with national and international market leaders in third party logistics, manufacturing and distribution to help them improve the control of their warehousing operations and supply chain. Optimum warehouse management and supply chain control is vital to the success of modern businesses, and is the key to excellent customer service and high operating efficiency.

ATMS warehouse management system and supply chain track and trace solutions are designed for both third party logistics providers and dedicated in-house operations. Systems are designed to improve warehouse efficiency and improve stock accuracy whilst improving efficiency with automated data capture and electronic communication of supply chain information.

The company is gaining significant growth in license sales of its STP Warehouse Management System due to ongoing investment in this product and continuing market leadership. Many significant new contracts for major national and multinational companies were gained in the year. The company is also making good progress with its extended supply chain offerings which are now in use in Asia, the company's presence in China and Singapore will accelerate the take up of such systems.

**Report of the Directors  
for the Year Ended 30 April 2010**

ATMS FZCO in the Middle East continues to win market share and the turnover is expected to continue to grow. At 30 April 2009 ATMS plc had loaned £118,509 to ATMS FZCO and it is the opinion of the directors that

- o ATMS FZCO is now self financing and further investment should not be required
- o ATMS FZCO should be in a position to start repaying the loan sometime in 2009 and the full amount should be repaid within 3 years

The company made its first sales through UK partners in 2008 and last year the sales more than doubled. The directors expect this part of the business to grow as we are introduced to potential customers as preferred supplier and often without competition although this comes at reduced margins.

The company continues to grow by organic growth but is also looking to grow by acquisitions. The company continues to monitor potential targets that would fit strategically with our existing products and markets.

**Risks and Uncertainties**

Last year the UK and most of the world were caught in a deep recession and some potential customers have reduced their capital expenditure. However the company has a very strong and loyal customer base and over half of our turnover is generated through repeat business and maintenance contracts. Companies that are looking to install a warehouse management system are normally looking to do so to gain a competitive advantage and this is more relevant in a recession. Also, as more manufacturing is done outside of the UK, more warehousing is required in the UK to hold the imported goods. We envisage some customers will defer large capital projects and instead will need cheaper short term solutions to gain a competitive advantage and ATMS are well placed to take advantage of this with our Software as a service offering (SaaS, see strategy above).

**Future Developments**

The directors aim to maintain the management policies which have resulted in the company's substantial growth in recent years. They consider that the current year will show a growth in sales with a significant growth in profits.

**Research and Development**

The company will continue its policy of investment in research and development in order to retain a competitive position in the market. Additional complementary modules are being developed and sales of these modules are now being realized, the activity based charging module, for instance, ensures optimized client billing for third party logistics operators and is also well received by in-house operations moving towards using their warehousing operations as profit centres. The company's recently introduced yard and dock management module is attracting significant interest as companies need to improve the control and security of their yard and port operations. This year has seen the introduction of our Remote Warehousing module which allows a customer to manage remote warehouses, often with no infrastructure, using the mobile telephone network.

**Risk Management**

The company's activities expose it to credit risk and liquidity risk. The company's overall risk management programmes focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

Risk management is carried out centrally under policies approved by the Board of Directors.

- o Credit Risk - The company insures against credit risk and it has policies in place to ensure that sales of products and services are made only to customers with an appropriate credit history.
- o Liquidity Risk - Prudent liquidity risk management implies maintaining sufficient cash balances and ensuring availability of funding through an adequate amount of committed credit facilities. The company aims to maintain flexibility in funding by keeping committed credit lines available in the form of an overdraft facility which has recently been renewed by the bank.

**Report of the Directors  
for the Year Ended 30 April 2010**

**DIVIDENDS**

No dividends will be distributed for the year ended 30 April 2010

**DIRECTORS**

The directors during the year under review were

S D Cross  
P G Evans  
S Warburton

The beneficial interests of the directors holding office on 30 April 2010 in the issued share capital of the company were as follows

	30 4 10	1 5 09
<b>Ordinary shares £1 shares</b>		
S D Cross	37,290	37,290
P G Evans	12,710	12,710
S Warburton	-	-

**COMPANY'S POLICY ON PAYMENT OF CREDITORS**

It is the company's policy to settle the terms of payments with suppliers when agreeing the terms of the transaction to ensure that suppliers are aware of these terms and abide by them

Trade creditors at the year end amount to 52 days ( 2009 - 57 days) of average supplies for the year

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the 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 auditors are aware of that information.

**A.T.M.S. plc (Registered number: 01825688)**

**Report of the Directors  
for the Year Ended 30 April 2010**

**AUDITORS**

The auditors, Locke Williams Associates LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to be 'S Warburton', is written over the text 'ON BEHALF OF THE BOARD:'. The signature is stylized and extends upwards and to the right.

S Warburton - Director

28 October 2010

Locke Williams Associates LLP  
 Blackthorn House, St Pauls Square Birmingham B3 1RL  
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### **Report of the Independent Auditors to the Shareholders of A.T.M.S. plc**

We have audited the financial statements of A T M S plc for the year ended 30 April 2010 on pages eight to eighteen. 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 a Report of the Auditors 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 set out on page four, 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 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.

#### **Opinion: Disclaimer on view given by the financial statements**

Included in debtors is an amount due from associated companies of £118,509 (2009 - £228,509). The directors believe that this balance is fully recoverable; however, we have not seen any evidence in respect of this balance which would enable us to form an opinion as to the recoverability. Because of the possible effect of the limitation in evidence available to us, we were unable to form an opinion as to whether the financial statements give a true and fair view of the state of the company's affairs as at 30 April 2010 and of its profit for the year then ended.

#### **Opinion on other matter prescribed by the Companies Act 2006**

Notwithstanding our disclaimer of an opinion on the view given by the financial statements, in our opinion the information given in the Directors' report for the financial year for which the financial statement are prepared is consistent with the financial statements.

Continued



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Registered number OC350146 Registered in England  
 Partners Christopher B Locke BA (Econ) FCA Katrina L Williams ACA CTA TEP





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## **Report of the Independent Auditors to the Shareholders of A.T.M.S. plc**

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

In respect alone of the limitation on our work relating to the amounts due from associated companies mentioned above, we have not obtained all the information and explanations that we considered necessary for the purposes of our audit

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

Christopher B Locke (Senior Statutory Auditor)  
for and on behalf of Locke Williams Associates LLP  
Chartered Accountants  
Registered Auditors  
C/O Blackthorn House  
St Pauls Square  
Birmingham  
West Midlands  
B3 1RL

28 October 2010

**A FULL CIRCLE APPROACH TO YOUR BUSINESS NEEDS**

Registered number OC350146 Registered in England  
Partners Christopher B Locke BA (Econ) FCA Katrina L Williams ACA CTA TEP



**THE INSTITUTE  
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**A.T.M.S. plc (Registered number: 01825688)**

**Profit and Loss Account  
for the Year Ended 30 April 2010**

	Notes	30 4 10 £	30 4 09 £
<b>TURNOVER</b>		1,587,372	1,674,761
Cost of sales		<u>375,687</u>	<u>357,266</u>
<b>GROSS PROFIT</b>		1,211,685	1,317,495
Administrative expenses		<u>1,091,566</u>	<u>1,283,304</u>
		120,119	34,191
Other operating income		<u>52,292</u>	-
<b>OPERATING PROFIT</b>	3	172,411	34,191
Interest receivable and similar income		<u>338</u>	<u>2,293</u>
		172,749	36,484
Amounts written off investments	4	<u>110,000</u>	-
		62,749	36,484
Interest payable and similar charges	5	<u>2,474</u>	<u>4,584</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		60,275	31,900
Tax on profit on ordinary activities	6	<u>41,465</u>	<u>13,674</u>
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		<u>18,810</u>	<u>18,226</u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current year or previous year

The notes form part of these financial statements

**Balance Sheet**  
**30 April 2010**

	Notes	30 4 10 £	£	30 4 09 £	£
<b>FIXED ASSETS</b>					
Intangible assets	7		195,777		87,262
Tangible assets	8		<u>23,731</u>		<u>21,960</u>
			219,508		109,222
<b>CURRENT ASSETS</b>					
Stocks	9	31,609		40,438	
Debtors	10	449,700		669,069	
Cash at bank		<u>80,525</u>		<u>58,154</u>	
		561,834		767,661	
<b>CREDITORS</b>					
Amounts falling due within one year	11	<u>609,307</u>		<u>723,658</u>	
<b>NET CURRENT (LIABILITIES)/ASSETS</b>			<u>(47,473)</u>		<u>44,003</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>172,035</u>		<u>153,225</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15	50,000		50,000	
Profit and loss account	16	<u>122,035</u>		<u>103,225</u>	
<b>SHAREHOLDERS' FUNDS</b>	21	<u>172,035</u>		<u>153,225</u>	

The financial statements were approved by the Board of Directors on 28 October 2010 and were signed on its behalf by



S Warburton - Director

**Cash Flow Statement  
for the Year Ended 30 April 2010**

	Notes	30 4 10 £	30 4 09 £
<b>Net cash inflow from operating activities</b>	1	239,112	120,004
<b>Returns on investments and servicing of finance</b>	2	(2,136)	(2,291)
<b>Taxation</b>		-	(20,115)
<b>Capital expenditure</b>	2	<u>(122,375)</u>	<u>(99,990)</u>
		114,601	(2,392)
<b>Financing</b>	2	<u>(28,377)</u>	<u>(28,061)</u>
<b>Increase/(Decrease) in cash in the period</b>		<u>86,224</u>	<u>(30,453)</u>

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**Reconciliation of net cash flow  
to movement in net debt**

	3		
Increase/(Decrease) in cash in the period		<u>86,224</u>	<u>(30,453)</u>
Change in net debt resulting from cash flows		<u>86,224</u>	<u>(30,453)</u>
<b>Movement in net debt in the period</b>		86,224	(30,453)
<b>Net debt at 1 May</b>		<u>(104,130)</u>	<u>(73,677)</u>
<b>Net debt at 30 April</b>		<u>(17,906)</u>	<u>(104,130)</u>

The notes form part of these financial statements

Notes to the Cash Flow Statement  
for the Year Ended 30 April 2010

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	30 4 10	30 4 09
	£	£
Operating profit	172,411	34,191
Depreciation charges	12,089	8,335
Government grants	(22,468)	-
Decrease in stocks	8,829	10,001
Decrease/(Increase) in debtors	154,831	(306)
(Decrease)/Increase in creditors	<u>(86,580)</u>	<u>67,783</u>
<b>Net cash inflow from operating activities</b>	<b><u>239,112</u></b>	<b><u>120,004</u></b>

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	30 4 10	30 4 09
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest received	338	2,293
Interest paid	<u>(2,474)</u>	<u>(4,584)</u>
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b><u>(2,136)</u></b>	<b><u>(2,291)</u></b>
<b>Capital expenditure</b>		
Purchase of intangible fixed assets	(108,515)	(87,262)
Purchase of tangible fixed assets	<u>(13,860)</u>	<u>(12,728)</u>
<b>Net cash outflow for capital expenditure</b>	<b><u>(122,375)</u></b>	<b><u>(99,990)</u></b>
<b>Financing</b>		
Purchase of own shares	-	(14,188)
Amount introduced by directors	-	45
Amount withdrawn by directors	<u>(28,377)</u>	<u>(13,918)</u>
<b>Net cash outflow from financing</b>	<b><u>(28,377)</u></b>	<b><u>(28,061)</u></b>

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 5 09	Cash flow	At
	£	£	30 4 10
			£
Net cash			
Cash at bank	58,154	22,371	80,525
Bank overdraft	<u>(162,284)</u>	<u>63,853</u>	<u>(98,431)</u>
	<u>(104,130)</u>	<u>86,224</u>	<u>(17,906)</u>
<b>Total</b>	<b><u>(104,130)</u></b>	<b><u>86,224</u></b>	<b><u>(17,906)</u></b>

The notes form part of these financial statements

**Notes to the Financial Statements  
for the Year Ended 30 April 2010**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and on the basis of 'going concern', which assumes that the company has sufficient funding and working capital to continue to operate at a level of activity which is profitable. In this respect the continued availability of existing levels of bank facilities, which have recently been renewed, are assumed to be available for a future period of at least twelve months.

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

**Stocks**

Stocks consist of sundry replacement spares and items for resale. The items may be used by the company for client support and as demonstration equipment and as such are included in revenues earned from clients within the overall support fees charged to them. The stocks are valued at the lower of cost or net realisable value and are being written off over a period of 5 years to reflect usage and reducing value as replacement spares.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**Development costs**

Development expenditure is capitalised when it is incurred and written off over a period of three years when the costs are attributable to income being earned or are written off, if earlier, when no further revenue is anticipated. All expenditure that is capitalised is on the basis of the following being applicable to the project:

- 1 There is a clearly defined project
- 2 The expenditure is separately identifiable and attributable to the project
- 3 The project has been assessed and there is reasonable certainty that it is technically feasible and commercially viable
- 4 The costs that are capitalised at any point will be recovered from future revenues attributable to the project

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

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

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2010

1 ACCOUNTING POLICIES - continued

**Grants**

Revenue grants have been credited to the appropriate other income account, whilst Capital grants received in respect of capital projects are accounted for as deferred income and are amortised over the economic useful life of the capital item

2 STAFF COSTS

	30 4 10	30 4 09
	£	£
Wages and salaries	665,922	794,700
Other pension costs	<u>39,251</u>	<u>50,704</u>
	<u>705,173</u>	<u>845,404</u>

The average monthly number of employees during the year was as follows

	30 4 10	30 4 09
Management and administration	3	4
Sales	2	4
Support and development	<u>8</u>	<u>10</u>
	<u>13</u>	<u>18</u>

3 OPERATING PROFIT

The operating profit is stated after charging

	30 4 10	30 4 09
	£	£
Hire of plant and machinery	8,464	13,586
Other operating leases	71,911	72,152
Depreciation - owned assets	12,089	8,335
Auditors' remuneration	9,350	8,620
Auditors' remuneration for non audit work	<u>5,335</u>	<u>1,833</u>
Directors' remuneration	179,656	173,141
Directors' pension contributions to money purchase schemes	<u>10,463</u>	<u>22,594</u>

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	<u>3</u>	<u>3</u>
------------------------	----------	----------

4 AMOUNTS WRITTEN OFF INVESTMENTS

	30 4 10	30 4 09
	£	£
Provision on intercompany debt	<u>110,000</u>	<u>-</u>

5 INTEREST PAYABLE AND SIMILAR CHARGES

	30 4 10	30 4 09
	£	£
Bank interest	2,474	4,584

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2010

6 TAXATION

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows

	30 4 10 £	30 4 09 £
Current tax		
UK corporation tax	41,465	14,009
Prior year under/over adjustments	<u>-</u>	<u>(335)</u>
 Tax on profit on ordinary activities	 <u>41,465</u>	 <u>13,674</u>

7 INTANGIBLE FIXED ASSETS

**COST**

At 1 May 2009

Additions

At 30 April 2010

**NET BOOK VALUE**

At 30 April 2010

At 30 April 2009

Development  
costs  
£

87,262

108,515

195,777

195,777

87,262

8 TANGIBLE FIXED ASSETS

**COST**

At 1 May 2009

Additions

At 30 April 2010

**DEPRECIATION**

At 1 May 2009

Charge for year

At 30 April 2010

**NET BOOK VALUE**

At 30 April 2010

At 30 April 2009

Fixtures  
and  
fittings  
£

112,661

322

112,983

105,616

2,788

108,404

4,579

7,045

Computer  
equipment  
£

153,535

13,538

167,073

138,620

9,301

147,921

19,152

14,915

Totals  
£

266,196

13,860

280,056

244,236

12,089

256,325

23,731

21,960



Notes to the Financial Statements - continued  
for the Year Ended 30 April 2010

9 STOCKS

	30 4 10	30 4 09
	£	£
Stocks	29,829	40,438
Work-in-progress	<u>1,780</u>	<u>-</u>
	<u>31,609</u>	<u>40,438</u>

10 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 4 10	30 4 09
	£	£
Trade debtors	186,422	309,753
Amounts owed by group undertakings	118,509	228,509
Directors' current accounts	59,249	30,872
Tax	-	5,383
Prepayments and accrued income	<u>85,520</u>	<u>94,552</u>
	<u>449,700</u>	<u>669,069</u>

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 4 10	30 4 09
	£	£
Bank loans and overdrafts (see note 12)	98,431	162,284
Payments on account	229,891	276,388
Trade creditors	120,430	183,472
Amounts owed to group undertakings	1,833	1,833
Tax	50,091	14,009
Social security and other taxes	33,590	16,194
VAT	44,626	41,416
Other creditors	8,768	8,850
Accruals and deferred income	<u>21,647</u>	<u>19,212</u>
	<u>609,307</u>	<u>723,658</u>

12 LOANS

An analysis of the maturity of loans is given below

	30 4 10	30 4 09
	£	£
Amounts falling due within one year or on demand		
Bank overdrafts	<u>98,431</u>	<u>162,284</u>

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2010

13 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

		Other operating leases
	30 4 10 £	30 4 09 £
Expiring		
Within one year	-	8,842
Between one and five years	<u>2,410</u>	<u>9,881</u>
	<u>2,410</u>	<u>18,723</u>

14 SECURED DEBTS

The following secured debts are included within creditors

	30 4 10 £	30 4 09 £
Bank overdrafts	<u>98,431</u>	<u>162,284</u>

The company has provided a mortgage debenture, dated 17th June 1987, over all of the assets of the company in respect of the bank borrowings from Natwest Bank PLC

15 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value £1	30 4 10 £	30 4 09 £
50,000	Ordinary shares		<u>50,000</u>	<u>50,000</u>

16 RESERVES

	Profit and loss account £
At 1 May 2009	103,225
Profit for the year	<u>18,810</u>
At 30 April 2010	<u>122,035</u>

17 PENSION COMMITMENTS

The company operates a non-contributory pension scheme. It is a defined contribution scheme and contributions are charged to profit and loss account as they are paid. The charge for the year was £39,251 (2009 - £50,704). There were no outstanding contributions at the balance sheet date.

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2010

18 TRANSACTIONS WITH DIRECTORS

The following loans to directors subsisted during the years ended 30 April 2010 and 30 April 2009

	30 4 10 £	30 4 09 £
<b>S D Cross</b>		
Balance outstanding at start of year	15,931	15,931
Amounts repaid	-	-
Balance outstanding at end of year	<u>15,931</u>	<u>15,931</u>
<b>P G Evans</b>		
Balance outstanding at start of year	14,940	1,022
Amounts advanced	28,377	-
Amounts repaid	-	-
Balance outstanding at end of year	<u>43,317</u>	<u>14,940</u>

The maximum balances outstanding during the year were, S D Cross £15,931 and P G Evans £43,317

Mr S Cross, a director of the company, has provided guarantees up to £25,000 in respect of the company's bank borrowings, by way of a charge over a life policy

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2010

19 RELATED PARTY DISCLOSURES

ATMS Distribution Limited

ATMS Distribution Limited is a dormant company. At the year end the balance due to ATMS Distribution was £1,832 (2009 - £1,832). ATMS Distribution is owned by S D Cross and P G Evans.

ATMS FZCO

The principle activity of ATMS FZCO is the provision of consultancy services relating to the application of computerised technology to manufacturing industries. During the year the company charged ATMS FZCO £nil (2009 - £2,355) in respect of licences and recharges. The invoices are included in the outstanding loan.

ATMS FZCO charged the company £127,586 (2009 - £87,262) in respect of software development. At the year end £nil (2009 - £36,000) was outstanding. The invoices were settled on commercial terms during the year.

The company has a loan outstanding to ATMS FZCO of £118,509 (2009 - £228,509) which is included in debtors due within one year, which remains outstanding.

The directors consider this loan to be fully recoverable.

ATMS FZCO is owned by S D Cross and P G Evans.

ATMS NV

The principle activity of ATMS NV is the provision of consultancy services relating to the application of computerised technology to manufacturing industries.

The company has a loan outstanding to ATMS NV of £11,709 (2009 - £11,709) which is included in debtors due within one year, which remains outstanding.

The directors consider this loan to be fully recoverable.

ATMS NV is owned by S D Cross and P G Evans.

Cen Group Limited

During the year the company was charged £1,000 (2009 - £21,680) in respect of web site services and £2,821 in respect of other services. Cen Group Limited is a company in which one of the directors, S D Cross has an interest. At the year end the balance due to Cen Group Limited was £nil (2009 £nil).

20 ULTIMATE CONTROLLING PARTY

The company is controlled by S D Cross a major shareholder and director of the company.

21 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30 4 10	30 4 09
	£	£
Profit for the financial year	18,810	18,226
Purchase of own shares	-	(14,188)
<b>Net addition to shareholders' funds</b>	<b>18,810</b>	<b>4,038</b>
Opening shareholders' funds	<u>153,225</u>	<u>149,187</u>
<b>Closing shareholders' funds</b>	<b><u>172,035</u></b>	<b><u>153,225</u></b>