

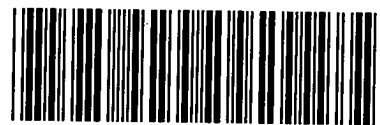
Abacus Group Limited

Report and Accounts

28 June 2014

**Registered number
2278260**

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**Abacus Group Limited
Report and accounts
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**Abacus Group Limited
Company Information**

Directors

W Crowell

M McCoy

P Zammit

P Bielefeld

G McBeth

Auditors

BDO LLP

55 Baker Street

London

W1U 7EU

Registered office

Avnet House

Rutherford Close

Meadway Technology Park

Stevenage

Hertfordshire

SG1 2EF

Registered number

2278260

Abacus Group Limited Strategic Report

The directors present their strategic report for the period ended 28 June 2014.

Review of the business

The company continues to act as a holding company.

On 8 July 2013 the freehold building owned by the company was transferred to a fellow group company for a total consideration of £1,667,720.

On 11 April 2014 the immediate subsidiary, Deltron Electronics Limited declared a dividend of £3,557,188.

On 6 June 2014 the future lease obligations relating to a building previously underutilised by the company were transferred to a fellow group company for a total consideration of £1,510,217.

On 16 June 2014 the subsidiary Avnet Abacus Limited was transferred to a fellow group company for a total consideration of £72,359 and the subsidiary Deltron Electronics Limited was placed into members' voluntary liquidation.

These events form part of a wider restructuring programme with regard to the efficient operation of the group.

Future developments

The investment subsidiaries are now fully integrated parts of the Avnet group and the performance and returns from these operations are expected to continue.

Principal risks and uncertainties

The directors consider that the principal risks and uncertainties faced by the company are in the following categories:

Economic risk

The main economic risks are regarded as being changes in the performance and hence valuation of the company's investments in the form of operating subsidiaries, the adequacy of capital levels of the company if the ongoing financing costs of the company are not covered by returns from investments or additional capital or funding.

This risk is managed by the monitoring of the performance and valuation of investments and adjustments to funding and financial arrangement as deemed necessary.

Competition risk

The directors of the company and subsidiaries manage competition risk through close attention to alternative sources of financing.

This report was approved by the board and signed on its behalf on 19 December 2014



W Crowell
Director

Abacus Group Limited
Directors' Report

The directors present their report and accounts for the period ended 28 June 2014.

Principal activities

The company's principal activity during the period continued to be an intermediate holding company.

Results and dividends

The results of the company for the period are set out on page 7. The profit for the period after taxation amounted to £2,751,000 (2013: loss of £366,000).

The directors do not recommend the payment of a dividend (2013: £nil).

Directors

The following persons served as directors during the period:

W Crowell
M McCoy
P Zammit
P Bielefeld
G McBeth

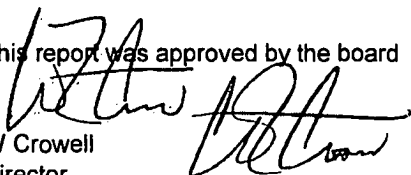
Disclosure of information to auditors

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 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 and signed on its behalf on 19 December 2014

W Crowell
Director



Abacus Group Limited
Statement of Directors' Responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial period. Under that law the directors have elected to prepare the accounts 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 accounts 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 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 accounts;
- prepare the accounts 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 accounts 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.

Abacus Group Limited
Independent auditors' report
to the members of Abacus Group Limited

We have audited the financial statements of Abacus Group Limited for the period ended 28 June 2014 which comprise the profit and loss account, the balance sheet 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 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 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 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 Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs as at 28 June 2014 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.

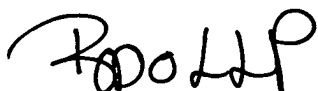
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial period 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
- 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.



Iain Henderson (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London

19th December 2014

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Abacus Group Limited
Profit and Loss Account
for the period from 30 June 2013 to 28 June 2014

	Notes	2014 £'000	2013 £'000
Administrative expenses		(898)	(436)
Dividend received from investments		3,557	-
Operating profit/(loss)	2	<u>2,659</u>	<u>(436)</u>
Interest receivable and similar income	4	94	78
Interest payable and similar charges	5	(2)	(8)
Profit/(loss) on ordinary activities before taxation		<u>2,751</u>	<u>(366)</u>
Tax on profit/(loss) on ordinary activities	6	-	-
Profit/(loss) for the period		<u>2,751</u>	<u>(366)</u>

Continuing operations

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

Statement of total recognised gains and losses


The company has no recognised gains or losses other than the profit/(loss) for the above two periods.

The accompanying notes on pages 9 to 15 are an integral part of the financial statements.

Abacus Group Limited
Registered number: 2278260
Balance Sheet
as at 28 June 2014

	Notes	2014 £'000	2013 £'000
Fixed assets			
Tangible assets	7	-	1,668
Investments	8	42,254	42,326
		<u>42,254</u>	<u>43,994</u>
Current assets			
Debtors	9	13,547	14,087
Creditors: amounts falling due within one year	10	(27,674)	(31,645)
Net current liabilities		<u>(14,127)</u>	<u>(17,558)</u>
Total assets less current liabilities		<u>28,127</u>	<u>26,436</u>
Provisions for liabilities			
Other provisions	11	-	(1,060)
Net assets		<u>28,127</u>	<u>25,376</u>
Capital and reserves			
Called up share capital	12	3,839	3,839
Share premium	13	47,897	47,897
Capital redemption reserve	14	428	428
Profit and loss account	15	(24,037)	(26,788)
Shareholders' funds	16	<u>28,127</u>	<u>25,376</u>

The accompanying notes on pages 9 to 15 are an integral part of the financial statements.


W Crowell
Director

Approved by the board on 19 December 2014

Abacus Group Limited
Notes to the Accounts
for the period from 30 June 2013 to 28 June 2014

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards.

The company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group accounts. Under FRS 1 Cash Flow Statements (revised), the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

As 100% of the voting rights of the company are controlled within the Avnet Inc. group, the company has taken advantage under the exemptions permitted by FRS 8 Related Party Disclosures to not disclose details of balances held with other companies within that group.

Going concern

The Directors have considered the going concern of the company and have concluded that it remains appropriate to prepare the financial statements on a going concern basis.

Investments

Subsidiary undertakings and other fixed asset investments are stated at cost, which includes the costs of acquisition, less provisions for impairment. Current asset investments are stated at the lower of cost or net realisable value.

Depreciation

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

Freehold buildings	over 30 years
Leasehold land and buildings	over the lease term

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Taxation

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

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Abacus Group Limited
Notes to the Accounts
for the period from 30 June 2013 to 28 June 2014

2 Operating loss	2014	2013
	£'000	£'000
This is stated after charging:		
Depreciation of owned fixed assets	-	82
Dividend received from investments	3,557	-
Auditors' remuneration for audit services	6	6
Auditors' remuneration - audit of subsidiary company	-	1
	<u> </u>	<u> </u>

Audit fees for subsidiary company, Deltron Electronics Limited, were borne by the company in the previous year. Deltron Electronics Limited was placed into members voluntary liquidation on 16 June 2014.

On 11 April 2014 the immediate subsidiary Deltron Electronics Limited declared a dividend of £3,557,188.

3 Directors' emoluments

The directors of the company receive their remuneration from a fellow group company.

4 Interest receivable and similar income	2014	2013
	£'000	£'000
Interest receivable from group companies	91	73
Foreign exchange gain	3	5
	<u> </u>	<u> </u>
	94	78

5 Interest payable and similar charges	2014	2013
	£'000	£'000
Interest payable to group companies	1	1
Foreign exchange loss	1	7
	<u> </u>	<u> </u>
	2	8

Abacus Group Limited
Notes to the Accounts
for the period from 30 June 2013 to 28 June 2014

6 Taxation	2014	2013
	£'000	£'000
Analysis of charge in period		
Tax on profit/(loss) on ordinary activities	<u>-</u>	<u>-</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
	£'000	£'000
Profit/(loss) on ordinary activities before tax	<u>2,751</u>	<u>(366)</u>
Standard rate of corporation tax in the UK	22.5%	23.75%
	£'000	£'000
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax	619	(87)
Effects of:		
Expenses not deductible for tax purposes	202	14
Losses surrendered to group undertakings	-	53
Capital allowances for period in excess of depreciation	-	20
Utilisation of tax losses	(21)	-
Dividend income not taxable	(800)	-
Current tax charge for period	<u>-</u>	<u>-</u>

In addition, the company has tax losses of £2,424,000 (2013: £2,517,000) that are available to carry forward and off-set against future taxable profits of the company.

Deferred tax assets have not been recognised in respect of these losses as there is insufficient certainty over the timing and extent of future profits.

	2014	2013
	£'000	£'000
Tax losses carried forward	<u>485</u>	<u>598</u>

Abacus Group Limited
Notes to the Accounts
for the period from 30 June 2013 to 28 June 2014

7 Tangible fixed assets

	Land and buildings £'000
Cost	
At 30 June 2013	2,862
Transfers to fellow group company	(2,862)
At 28 June 2014	<u>-</u>
Depreciation	
At 30 June 2013	1,194
Transfers to fellow group company	(1,194)
At 28 June 2014	<u>-</u>
Net book value	
At 28 June 2014	<u>-</u>
At 29 June 2013	<u>1,668</u>

8 Fixed asset investments

	Investments in subsidiary undertakings £'000
Cost	
At 30 June 2013	68,261
Disposals	(72)
At 28 June 2014	<u>68,189</u>
Impairment provision	
At 30 June 2013	25,935
At 28 June 2014	<u>25,935</u>
Net Book Value	
At 28 June 2014	<u>42,254</u>
At 29 June 2013	<u>42,326</u>

Abacus Group Limited
Notes to the Accounts
for the period from 30 June 2013 to 28 June 2014

8 Fixed asset investments (continued)

Principal subsidiary undertakings	Country of incorporation and operation	Principal activity	Proportion of ordinary shares held by the company
Alpha 3 Manufacturing Ltd (1)	UK	Manufacturing	100%
Avnet Logistics Ltd (1)	UK	Distribution	100%
Deltron Electronics Ltd (1)	UK	In liquidation	100%
Tekdata Interconnections Ltd	UK	Manufacturing	100%

(1) Owned directly by Abacus Group Limited at 28 June 2014. The other company is owned indirectly.

On 16 June 2014 the entire share capital of Avnet Abacus Limited was transferred to a fellow group company for a consideration of £72,359.

Also, on 16 June 2014 the immediate subsidiary Deltron Electronics Limited was placed into members' voluntary liquidation.

9 Debtors	2014 £'000	2013 £'000
Amounts owed by group undertakings and undertakings in which the company has a participating interest	13,543	13,995
Other debtors	1	79
VAT	3	13
	<u>13,547</u>	<u>14,087</u>

10 Creditors: amounts falling due within one year	2014 £'000	2013 £'000
Trade creditors	39	96
Amounts owed to group undertakings and undertakings in which the company has a participating interest	27,579	31,134
Accruals and deferred income	56	415
	<u>27,674</u>	<u>31,645</u>

Abacus Group Limited
Notes to the Accounts
for the period from 30 June 2013 to 28 June 2014

11 Provisions for liabilities

	Onerous leases £'000
At 30 June 2013	1,060
Additional provisions made during the period	707
Utilised during the period	(257)
Transferred to a fellow group company	(1,510)
At 28 June 2014	<u>-</u>

The provision relates to an onerous lease agreement for a vacated and unutilised site. The lease for this site was transferred to a fellow group company.

12 Share capital	Nominal value	2014 Number	2014 £'000	2013 £'000
Allotted, called up and fully paid:				
Ordinary shares	5p each	76,776,418	<u>3,839</u>	<u>3,839</u>
13 Share premium			2014 £'000	2013 £'000
At 30 June 2013			47,897	47,897
At 28 June 2014			<u>47,897</u>	<u>47,897</u>
14 Capital redemption reserve			2014 £'000	2013 £'000
At 30 June 2013			428	428
At 28 June 2014			<u>428</u>	<u>428</u>
15 Profit and loss account			2014 £'000	2013 £'000
At 30 June 2013			(26,788)	(26,422)
Profit/(loss) for the period			2,751	(366)
At 28 June 2014			<u>(24,037)</u>	<u>(26,788)</u>

Abacus Group Limited
Notes to the Accounts
for the period from 30 June 2013 to 28 June 2014

16 Reconciliation of movement in shareholders' funds	2014	2013
	£'000	£'000
At 30 June 2013	25,376	25,742
Profit/(loss) for the financial period	2,751	(366)
At 28 June 2014	<u>28,127</u>	<u>25,376</u>

17 Ultimate controlling party

The ultimate parent company and the largest group in which the results of the company are consolidated is Avnet Inc., a company incorporated in the United States of America. The consolidated accounts of this group are available to the public and may be obtained from Avnet Inc., Investor Relations, 2211 South 47th Street, Phoenix, Arizona, USA or by visiting Avnet Inc.'s Investor Relations website at www.ir.avnet.com.