

Overview & Annual Report

For the year ended 31st March 2014

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ANS Means Business

ANS has been progressively developing our Managed Services portfolio over the last 12 months to complement our award-winning FlexPod infrastructure platform.

Chief Executive's Review



Paul Sweeney | CEO at ANS

"I am delighted to announce 2014 as a record year for ANS as we report our 10th consecutive year of growth. The positive financial and operational results are a direct result of the development and growth of our managed services portfolio during the year. Nearly 90% of the company's gross margin is now derived from managed services business, which typically involves long-term contracts and recurring revenues.

With a customer retention rate of 94%, I am extremely proud of the exceptional level of service we are providing to our customers. To that end, I would like to personally thank the team at ANS for their hard work and dedication. We are now focused on the next phase of growth and actively looking at acquisitions and continuing to recruit talent to build on our strengths across the business."

"With a customer retention rate of 94%, I am extremely proud of the exceptional level of service we are providing to our customers."



Paul Sweeney | CEO at ANS

ANS Group – Overview

ANS is a hybrid and managed cloud services specialist and an expert in designing, delivering and managing IT services that help businesses increase productivity, drive efficiency and achieve business value IT.

We take pride in our financial stability, which has always been a primary focus together with market leading innovation, and are now in our 10th year of profit growth. We have over 600 customers spread across the public and private sectors, including Skipton Building Society, Kennedys LLP, First Choice Homes Oldham, Maritime & Coastguard Agency, Liverpool Women's NHS Foundation Trust and Lichfield District Council.

ANS are the most highly decorated Cisco NetApp, VMware and Microsoft partner in the UK, which means that no other company can deliver our level of proficiency in partner technologies. We are currently the NetApp FlexPod Partner of the Year, NetApp EMEA Services Partner of the Year. Having delivered 50% of all FlexPod projects in the UK and 14% of projects in EMEA, we are currently the single largest provider of FlexPod projects in EMEA.

ANS employs a team of 200 across offices in Manchester and London. Each and every member is an expert at what they do and demonstrates a commitment to delivering outstanding customer service on a daily basis.

CLEARLY DEFINED OFFERINGS



MANAGED
WORKSPACE
SERVICES



MANAGED
INFRASTRUCTURE
SERVICES



MANAGED
PROTECTION
SERVICES

MANAGED SERVICES GROWTH



180%



£47 MILLION turnover



MANCHESTER & LONDON Data Centres



of TRANSITION DELIVERED EACH YEAR

300 CUSTOMERS UNDER CONTRACT



PRIVATE 10 GB DIVERSE DC CONNECTIVITY

24 x7 SERVICE DESK

No.1 FLEXPOD PARTNER



EMEA SUPPORT AND FLEXPOD PARTNER OF THE YEAR



✓ ISO 9001

✓ ISO 14001

✓ ISO 27001

The Board



Scott Fletcher MBE | Chairman and Founder

Scott Fletcher is one of the country's leading entrepreneurs, heading up companies with a total valuation in excess of £75m. Scott founded what is now his largest business, ANS, from his back bedroom in 1996 at 22 years old.



Paul Sweeney | Chief Executive Officer

Paul is a well-respected figure in the IT community with over 20 years' experience from both a technical and commercial standpoint. Paul joined Scott and ANS in 1998 and has been at the heart of ANS' progress.



Paul Shannon | Chief Operating Officer

Paul Shannon has responsibility over all operational departments at ANS. He has 15 years of experience in the IT industry including 5 years in technical leadership positions. He has been instrumental in creating ANS' Managed Services solutions and building operational excellence.



David Hutton | Sales Director

David is a specialist in business growth and development, and has over 15 years' experience in the technology sector working for some of the largest IT businesses in the world.



Andy Barrow | Chief Technical Officer

Andy was instrumental in the vision and creation of FlexPod i3, which enabled ANS to become one of the principal providers of large private cloud infrastructures in the UK. Under his strategic leadership ANS has developed a new, streamlined Managed Services portfolio.



Chris Malthouse | Financial Director

Chris has 20 years' experience in the IT and the telecommunications industries, is a qualified Chartered Accountant (ACA) and holds an MBA. Chris has played a central role in the incredibly solid financial stability of ANS during his 15 years with the company.



Steven Bomberg | Professional Services Director

Steven joined ANS in 2010 following the acquisition of Alpha Business Computers and has overseen some of ANS' largest projects, including the installation of FlexPod i3 at the Land Registry and the migration of De Vere Group to ANS Managed Services.

The Team

As a business we are incredibly driven and goal orientated, and we know that we can only be as successful as the people we employ. It is this approach to our talent that has led to double digit growth for the last 5 years. Our team has continued to grow with new employees in all departments, and with 200 staff members bringing a diverse range of experience and skills to the business ANS has never been in a stronger position.

We are committed to encouraging emerging talent and to reaching out to those interested in a career in IT. Working with the National Apprenticeships Service we opened our 'Cloud Academy', an apprenticeship programme that will train over 50 apprentices over the next two years. Apprentices receive on-the-job training from ANS' technical experts during their 12 months, and upon completion of the course we expect learners to be retained by the business to support our growing Managed Services department.

Ensuring high levels of staff satisfaction and cultivating a positive and passionate environment is a priority for us, and we have previously been named 9th in the Sunday Times Top 100 companies to work for.

Expertise

ANS has highly qualified staff across all departments and offer our customers end-to-end expertise for the entire project cycle.

Our Service Desk team holds some of the most well-respected industry qualifications, including VCP, NCIE, MCSE and CCIE certifications, all of which are globally-recognised certifications that allow us to offer the highest levels of expertise across multiple technologies.

Financial Review

ANS manages its way to a 10th year of profits growth

We are pleased to report yet another financially strong year, with a 10th year of profits growth and a current average growth rate of 19%. ANS' profit before tax increased 39%, from £3.1m in 2013 to £4.3m in 2014 and adjusted EBITDA increased 37%, from £4.3m in 2013 to £5.9m in 2014.

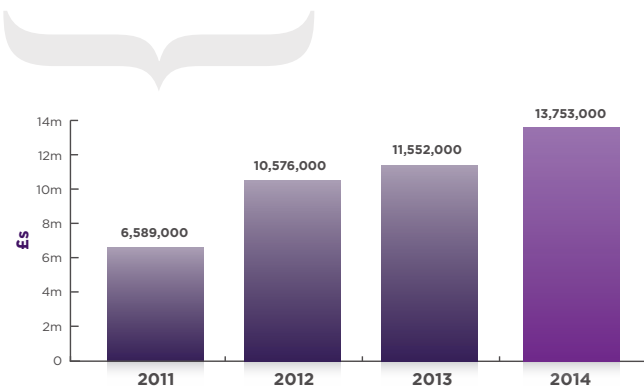
With contract wins across all sectors generating significant income, revenues increased 7% this year and the business holds a strong net cash balance of £8.6m. Over 90% of the company's Gross Profits is now derived from our Managed Services, compared to 70% in 2013.



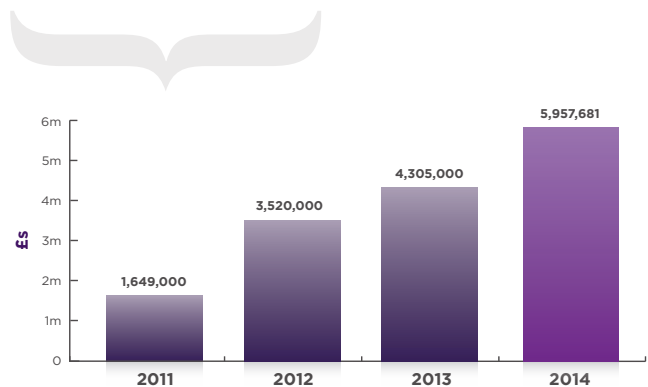
Chris Malthouse | ANS' Financial Director
"ANS' continued financial strength has allowed us to confidently invest in the business from a position of strength and stability. We take our investment in both capital infrastructure and staff as the key drivers of our steady growth, and our aim is to always be firmly ahead of the competition. We have a well-capitalised Balance Sheet, which puts the business in the enviable position of being able to satisfy the in-depth financial credit and buying criteria that our clients require. ANS has a 17 year track record of growth and profitable cash generation. The business continues to be debt free and financially sound, which is just one of the reasons that we stand out from our competitors."

Operating costs continued to grow again this year, with staff numbers increasing across all departments as a reflection of our continued commitment to investing in our team. As increasing numbers of customers are opting for Managed Services, ANS continues to cultivate the appropriate levels of skill to meet this demand. ANS is 99% owned by our employees and the people involved with the business, resulting in increased levels of morale and performance due to individuals having a vested interest in the continued performance and success of ANS.

Gross Profit



Adjusted EBITDA (Pre-Exceptional and One-Offs)



In summary: ANS attributes the primary reasons for the impressive set of results to the drive and commitment of the staff, together with the further development of our Managed Services portfolio, which now accounts for over 90% of Gross Profits.

Operational Review

This year's milestone development within the business has been the evolution of our Managed Services portfolio and introducing our Hybridization strategy to the market. Our vision of Hybridization prepares organisations for the next phase of infrastructure as we combine private converged architectures with managed service solutions and cloud hyperscalers.



Paul Sweeney | ANS' CEO

"We have enhanced our strategic business model with the addition of our Hybridization messaging. As we enter the fourth generation of infrastructure, Hybridization, it's no longer a decision between on-site infrastructure or cloud services. The reality is we need to utilise both to satisfy the requirements for traditional line of business applications and the demand of new age web applications that are designed and built in the cloud. What our customers require is not only a vision, but a partner who can deliver on that vision by seamlessly providing and managing a holistic infrastructure that satisfies the requirements of private converged architectures and cloud hyperscalers."

This year significant investment has been made in the training and development of our team to further our capabilities in cloud services. Twelve members of our technical team have become certified in Amazon Web Services, ensuring that ANS are equipped to deliver on our Hybridization vision.



Paul Shannon | ANS' COO

"Our Managed Service and Hybridization solutions are built on FlexPod infrastructure, and continued focus on the award-winning solution has made ANS the single largest provider of FlexPod customer projects in EMEA. Fully Managed customers saw one of the biggest areas of growth as the company adopts world-class standards of delivery and management. Further investment has been made to ensure that the data centre and network capacity is future proofed for growth and that all of our team are equipped to meet the high serviceability needs of our customers' critical systems."

We are extremely proud of our position as the most highly decorated Cisco, NetApp & VMware partner in the UK, which means we can bring unparalleled expertise to our customers and core target markets; NHS, Local Government, Education, Mid-Enterprise and Legal. We have remained focussed in driving business value IT into our customer portfolio working with customers including Kennedys LLP, Greencore Group, Skipton Building Society, Liverpool Airport, Greater Manchester CSU, Lichfield District Council and First Choice Homes Oldham.



HYBRIDIZATION STRATEGY

from Andy Barrow | ANS' CTO

EVOLVE IT. TRANSFORM IT.

“Enter the application and digital economy to drive business value IT by combining private converged architectures with managed service providers and cloud hyperscalers.”

As an enterprise organisation, your on premise infrastructure will continue to exist, supporting traditional applications, applications that require high performance and contain sensitive data. But as we enter the digital and application economy, your infrastructure must evolve and transform in line with your business strategy in order to become the hub of provisioning IT service and with this, incorporate external capabilities to support new digital opportunities.

All businesses depend on robust, reliable infrastructure. You need to fully understand not just how to leverage available technologies but how to intelligently provision the right combination of cloud services to support your business applications and ultimately achieve business value IT.

Applications can typically be classified into three categories

1. Traditional applications
2. Cloud optimised applications
3. Cloud native applications

The most important factor for consideration when deciding how and when to leverage cloud technologies, is to assess what applications you have and the function they provide for your business.

Traditional applications typically require high performance and support sensitive data. Resiliency is not in built; you must rely on the infrastructure to guarantee availability and security. These applications are, and always will be, best suited to a private converged architecture to ensure maximum uptime, performance and efficiency to meet customer needs and business demands.

Cloud optimised applications are built with some cloud features in mind. They are designed for and live within private converged infrastructure but, with some adaptations, would be suitable to connect to public cloud to access ready built application features, for example, web scale content storage.

Cloud native applications are designed, from the ground up, for cloud. These are typically new age application platforms that are stateless, de-coupled and are ready for infinite scale. They have inbuilt resiliency to sustain performance in the public cloud. The most cost efficient option for running these applications may be to utilise cloud hyperscaler platforms as capacity and service level fluctuates based on user and consumer demand.



The Solution

Hybridization offers the performance and security of a private converged architecture, the up time, service level and accountability of managed service providers together with the characteristic scalability and cost-effectiveness of public cloud, allowing you to maximise efficiencies of your application with a simple management strategy.

A hybridized infrastructure will...

- Adopt scale out, high performance technology with converged characteristics to reduce your infrastructure footprint.
- Be software defined and application centric, providing ultimate manageability through leading automation and provisioning toolsets.
- Connect to managed service provider platforms for recovery and backup, protecting your critical applications in line with a service level agreement that supports your business requirements.
- Access secure application hosting services requiring strict service management and maximum uptime.
- Intelligently scale out to ready built public cloud hyperscalers, leveraging the latest in stateless web application technology and database services.
- Automatically fluctuate based on user and consumer demand.
- Allow application portability, with the ability to provision into the most appropriate environment dependant on their characteristics.
- Achieve complete service and cost transparency to ensure financial efficiency for your business.

**YOUR INFRASTRUCTURE WILL EVOLVE.
IT WILL TRANSFORM.
IT WILL BE HYBRIDIZED.**

Introducing our services

We understand that if you manage and maintain you'll never deliver Business Value IT. We know that you spend the majority of your time managing and maintaining. We realise it's challenging, not only to find, but to keep the talent to your run your infrastructure and ultimately trust the service to support tomorrow.

If you want to shape the future and increase efficiency and flexibility through user productivity, then you should talk to ANS. We manage and maintain so you can change and improve.



MANAGED WORKSPACE SERVICES

Enabling the end user to increase efficiency through devices, apps and data.

The world of IT has become user centric; control is slipping away from the IT department. Consumers are driving applications and applications are driving productivity, which is why ANS doesn't just predict the future - we shape it. We deliver workspace solutions that deliver today and drive tomorrow. With ANS' Managed Workspace Services, you can deliver a consistent corporate workspace - including personalised desktops and line-of-business applications - wherever and whenever your users want. In the modern workplace, your employees are no longer bound to the brick and mortar office - so why should their desktops be?





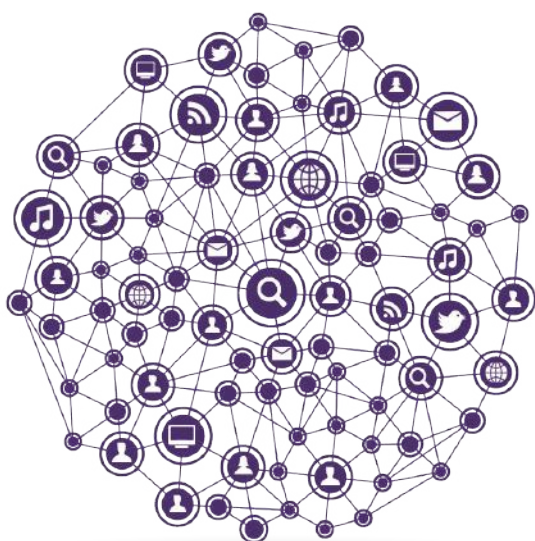
MANAGED INFRASTRUCTURE SERVICES



MANAGED PROTECTION SERVICES

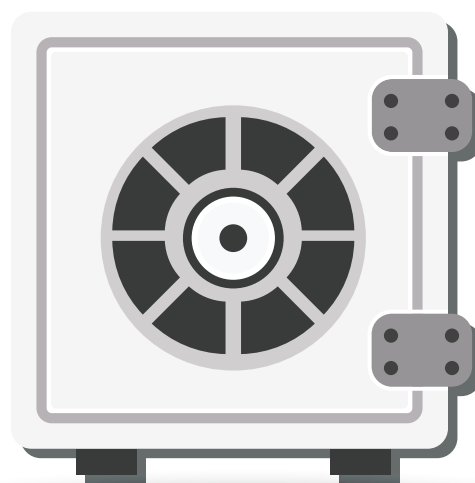
Running the engine that give your business the capability to work to its full potential, all the time.

Your infrastructure represents the foundation on which your entire IT environment is built upon, but if you are trapped in the cycle of managing and maintaining your infrastructure, you can't progress to changing and improving it. When you are locked into old-fashioned IT, every problem you encounter means less time is spent thinking about the future of your business. If you want to increase efficiency and profits, release internal resources for strategic projects and receive comprehensive support from a specialist IT team, you need a Managed Infrastructure Service.



Giving you the assurance that your users' critical systems and data are not only protected and stored, but recoverable when your business needs it.

Data and information are your most valuable assets. No matter what business you're in, without access to it, your users can't function. You need flexible and adaptable Protection Services that are as dynamic as your business is, so whether you need Backups, Disaster Recovery or a full Managed Protection Service, we'll work with you to develop a holistic solution that gives you the capability to protect your data. We understand that IT is a key enabler of your business operations, so our Protection Services safeguard your key applications and systems and allow you to focus on driving your business forward, safe in the knowledge that whatever happens it will be business as usual.



Managed Support Services

With research showing that up to 70% of self-managed infrastructure system-down incidents are caused by human error, trusting your Support Services to ANS' experts alleviates this risk.

Our Managed Support Services give our customers access to a wealth of expertise that allows them to focus on driving their business forward whilst their infrastructure is safely managed and maintained by specialists.

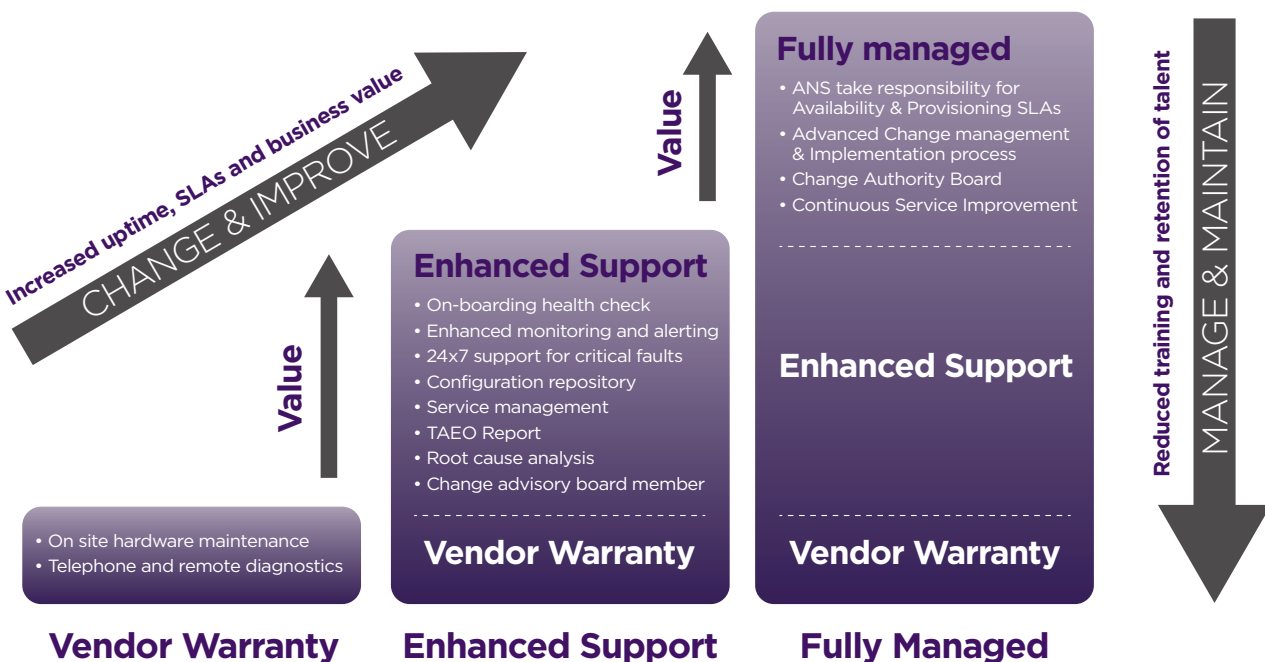
Our ITIL-accredited Service Management team functions as an extension of your own IT team. We deliver dedicated, high quality service and support to customers through a multi-level Service Desk team that upholds strategic workflows and structured incident and resolution management plans. Skilled staff are equipped to handle all incidents with expert knowledge of both the solutions and of the internal workflows

and systems that facilitate effective handling and escalation when necessary.

We work with all types of businesses and know that each one is different and faces different challenges. To make sure that access to a service that best suits your individual needs, we offer both Enhanced and Fully Managed levels of support.

Fully Managed:	Enhanced Support:	Vendor Warranty:
Advanced Change Management & Implementation Process	Enhanced Monitoring & Alerting	On Site Hardware Maintenance
Change Authority Board	24x7 Support For Critical Faults	Telephone And Remote Diagnostics
	Service Management	
	Root Cause Analysis	

Service differentiation



Data Centres & Network

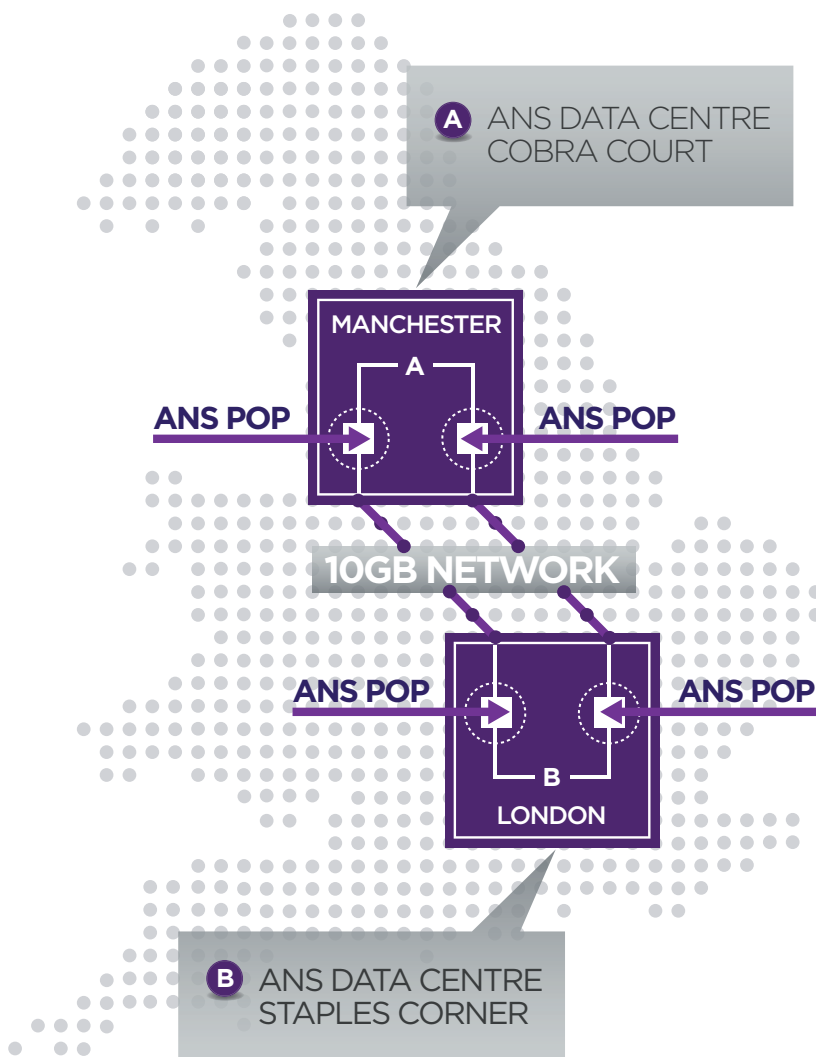
All of our data centre facilities run industry-leading security and environmental policies to ensure that our your critical data and systems are safe, secure and available.

We can provide Tier 2 and Tier 3 data centre facilities, with data centres in Staples Corner in London and Cobra Court in Manchester.

Our diverse 10GB network is owned and managed by ANS, with connections running between locations in Manchester and London to ensure secure and reliable network availability at all times.

We are also ISO27001 Information and Security Management Standards accredited, which defines a standard for establishing, implementing, operating, monitoring, reviewing and maintaining an Information Security System.

Our data centre facilities allow you to rent anything from a basic rack to a fully managed infrastructure solution and take advantage of our high speed connectivity networks that serve the buildings. We have a range of co-location and rack space packages available from as little as one unit to dedicated part or full racks. This guarantees you reliable power, cooling and connectivity along with the support of on-site technical staff.



Partners

Our partner relationships with Cisco, NetApp, VMware, Microsoft and AWS are central to our continued business success and strong customer relationships.

Our ability to deliver solutions and support that exceed our customers' expectations is dependent on strong collaborative relationships with partners. By working to achieve the highest levels of accreditations, fully adopting partner programme initiatives and by earning awards that strengthen our reputation, our customers have the peace of mind that we offer the highest level of expertise in the industry.



What they say about ANS...

"ANS has consistently championed Cisco's UCS software and Nexus switches as part of their infrastructure 3.0 data centre technology. We are excited to now see this move into the cloud environment."

Richard Roberts

M.D. UK Partner &
Commercial Sales Organisation

"ANS and NetApp have developed a close and mutually successful relationship which has seen them win numerous partner awards for technical, marketing and solution excellence."

Dave Allen

VP & GM Northern EMEA

"ANS is taking the virtualised data centre and desktop vision into the cloud, helping customers to transform their business through simplified IT. Valued partners like ANS are giving organisations the opportunity to reap the benefits of IT as a service and enjoy the flexible and agility benefits of cloud computing."

Ed Dolman

Director, Enterprise Sales

"Microsoft are delighted to be involved with ANS. As the industry moves towards the cloud, ANS' achievements of the Microsoft Systems Management competency positions them to provide innovative managed solutions that will help their customers to grow."

Barry Ridgway

General Manager SMS&P, Microsoft



Cisco

ANS is a Tier 1 Cisco Gold Partner, an endorsement that reflects our range of expertise across Cisco technologies and specialisations in all three architecture areas. In addition to being the first partner in the EMEA to achieve the Cisco Cloud Builder accreditation, we also hold the Master Cloud Builder Specialisation, Cisco Customer Satisfaction Star and have twice been named Cisco Data Centre and Virtualisation Partner of the Year. ANS is also the first partner in the EMEA to launch a Cisco Powered Workspace Solution.



NetApp

We have consistently received the highest levels of recognition from our storage partner; in 2013 we received the NetApp EMEA FlexPod and Express Pod Partner of the Year, EMEA Support Service Partner of the Year and Marketing Excellence of the Year awards.



VMware

The depth of our infrastructure solutions is achieved by utilising the wide range of virtualisation technologies available from VMware. Our commitment to the VMware programme is reflected in our numerous award wins over the past few years, including VMware Global Business Continuity Partner of the Year, EMEA Business Continuity Partner of the Year, Public Service Partner of the Year and Partner of the Year.



Microsoft

We are a Microsoft Gold Certified Partner with a Gold Competency in Management and Virtualisation and have the first MCSE Private Cloud Certified Consultant in the EMEA.



Amazon Web Services (AWS)

For customers with dynamic, scalable workloads we partner with AWS to offer seamless solutions between private cloud infrastructures and cloud hyperscalers.



vmware

Microsoft



Don't just take our word for it...

Skipton Building Society

“Yorkshire-based Skipton Building Society’s internal IT team are responsible for serving their 750,000 members and 100 branches nationwide.

“In such a fast paced industry flexibility and adaptability are absolutely critical in enabling us to keep innovating, and the hybrid platform strikes the right balance. This investment will allow us to react to market needs and demands, and deliver the new services that our customers want more quickly than ever before. The cost-savings and increased efficiency will be significant, but most importantly, we can pass on tangible improvements through to our customers by way of improved applications and faster service delivery.”

Duncan Ratcliffe
Head of IT at Skipton



First Choice Homes Oldham

Oldham’s largest social landlord, First Choice Homes Oldham, manages 12,000 homes in the borough of Oldham. The organisation partnered with ANS on a multi-year contract to design, install and manage its IT infrastructure in order to support its agile working and customer service initiatives.

“The new infrastructure will make it possible for colleagues to take front line services to our customers and enable more agile ways of working. It will lay the foundations for future development of additional self-service options for our customers allowing them to access information about their homes and log requests quickly, easily and at their own convenience. It will also enable us to open up new lines of communication with our customers, allowing quicker responses to enquiries from tenants, and make significant long-term energy savings in line with our green initiatives.”

Stephen Repton
Head of ICT at FCHO



Liverpool Airport

“An increasing number of our operations rely on robust IT provision, so maximising uptime is crucial for the day-to-day running of Liverpool John Lennon. By unifying our disparate server estate into single solution it’s easier for us to spot and solve any issues before they become detrimental. With the new infrastructure we can be safe in the knowledge that our IT is fit for purpose even as the number of carriers we partner with grows.”

John Fazakerley
IT & Telecoms Manager
at Liverpool John
Lennon Airport



Kennedys LLP

“This investment has seen IT move from a line on a balance sheet to a business enabler, allowing our partners and staff to work faster, smarter and with greater flexibility.

We have commoditised our IT – where before we were focused on delivering infrastructure, we have shifted our focus to supporting strategic business decisions. A merger is now a simpler task, as we have greater IT cost certainty. Meanwhile our lawyers have quickly become accustomed to moving around the world and taking their full desktop with them.”

Mike Gilpin
Director of IT at
Kennedys LLP



Greater Manchester CSU




















“A modern, scalable platform was paramount, but it was ANS’ proven experience in not just implementing technology but helping organisations leverage that technology to achieve real results that appealed to us. We wanted a supplier who had an appreciation of the NHS reform and could deliver a service that would continue to support our culture of change. Not only do ANS provide more for less, their knowledge in the NHS really is second to none.”

Jon Shone
Data Centre
Project Manager
at Greater
Manchester
Manchester CSU



Our Awards

ANS are at the top of our game and we have a jam-packed award cabinet to prove it. Our award wins are essential for highlighting to customers that our accomplishments have been recognised and rewarded, imparting confidence in our abilities and overall contribution to the industry.

2014	2013	2012
 NetApp FlexPod Partner of the Year	 VMware Private Cloud Award	 VMware Global Business Continuity Partner of the Year
 NetApp EMEA Services Partner of the Year	 NetApp EMEA FlexPod and ExpressPod Partner of the Year	 Cisco Customer Satisfaction Excellence Star
 UK Commercial Case Study of the Year	 NetApp EMEA Support Service Partner of the Year	 NetApp FlexPod Partner of the Year
 UKI DCV Partner of the Year	 NetApp FlexPod Partner of the Year	 NetApp Marketing Partner of the Year
	 NetApp Marketing Excellence of the Year	 Downtown in Business City of Manchester Business of the Year
	 Cisco Data Centre & Virtualisation Partner of the Year	 Best New Business Win with DeVere Group at the CRN Awards
	 Cisco Marketing Commercial Innovation Award	 Awarded 57 th place in The Sunday Times Hiscox Tech Track 100
	 14th in the Investec Hot 100 list	

Corporate Social Responsibility

Every year we get involved with CSR projects that reflect the professional and personal values we hold across the business. Whether as a company, as teams or as individuals, involvement in charitable activities is widely encouraged and supported at all levels.

Our activities this year include fundraising days in support of a variety of organisations, including Jeans for Genes and Save the Children, and many of our team members participated in a 10k and an outdoor obstacle course in support of charity. This year we have continued our on-going partnerships with Factory Youth Zone and Forever Manchester, two youth organisations in the Manchester area that provide resources and support for young people in the community.

We are also committed to on-going 'green' initiatives, and take care in considering the environmental impact of our activities from the powering of our data centres to staff transportation.

We work hard as a team to foster an environment of social, environmental and charitable awareness, not only by providing opportunities for staff to participate in on-going initiatives, but by supporting our team with any individual fundraising activities by matching contributions. Our business is only as strong as our people, so by encouraging involvement in activities that foster a positive, passionate and collaborative environment, we can fulfil our vision of being a socially responsible business and a positive influence on our community.

We are committed to encouraging emerging talent and to reaching out to those interested in a career in IT. Working with the National Apprenticeships Service we opened our 'Cloud Academy', an apprenticeship programme that will train over 60 apprentices over the next two years. Apprentices receive on-the-job training from ANS' technical experts during their 12 months, and upon completion of the course we expect learners to be retained by the business to support our growing Managed Services department.

Foundations & charities we work with:



Outlook

from Paul Sweeney | ANS' CEO

Looking ahead to 2015, we remain confident in the development and direction of our managed services and Hybridization strategy. As organisations continue to focus on delivering business value IT, we must provide a visionary platform which adopts innovative technologies allowing for scale and growth.

With this in mind ANS must also continue to innovate, strive for growth and achieve our goals. We have a mission and it's pretty simple. If we strategically focus on three fundamentals; people, technology and customers, we can deliver on our vision for 2015.

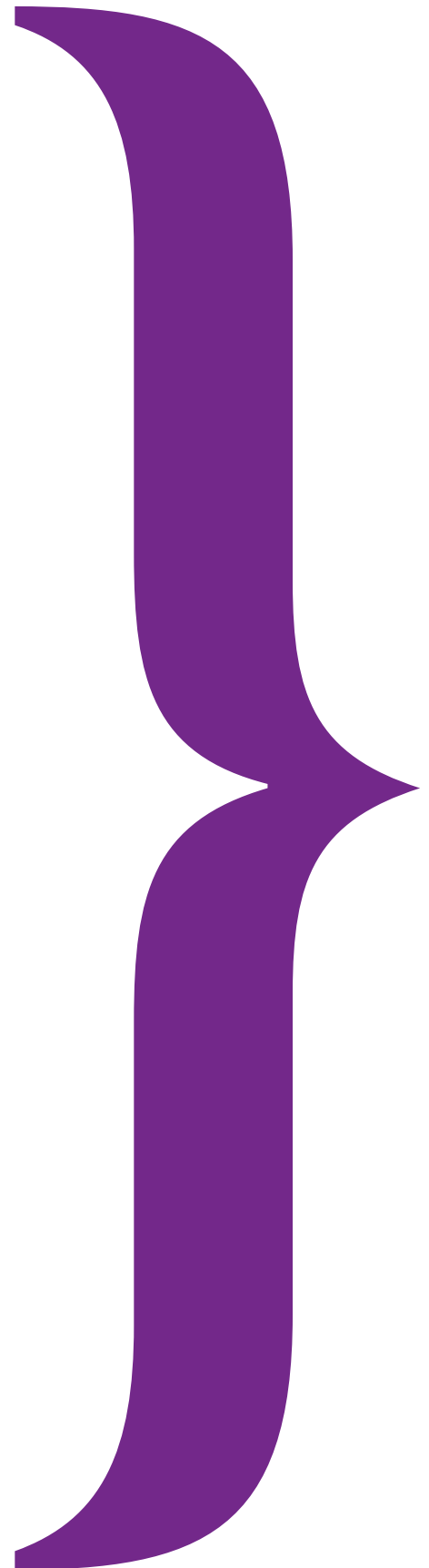
Our people have always been at the forefront of everything we do at ANS. Our aim is to attract, retain and develop the best talent in the industry and to ensure that each member of the team has a sense of purpose. Together we must live by our corporate values; positivity, passion, quality and integrity as we strive to once again be recognised in the Sunday Times Best Companies to work for, an accolade that will bear as much significance to the team at ANS as it will to our customers.

We strive to provide innovative and visionary technology solutions that position ANS as thought leaders and by maintaining our position as the most highly decorated Cisco, NetApp & VMware partner in the UK, we will bring unparalleled expertise to our customers and core target markets. As we lead the way with our technology strategy, it is our aim to be the UK partner of choice for Hybridization and managed service solutions.

We aim to truly understand the challenges and opportunities that drive our customers and in turn be the first to deploy leading edge solutions to help them achieve this. In receipt of this, it is our goal to achieve industry leading PR for ANS and our customers, recognising the innovative solutions we collaboratively provide for organisations and their community of users. We aim to sign up 200 Raving Fans to our customer satisfaction programme, which will only be achieved by maintaining the current exceptional level of service to our customers.

With all this on the agenda for 2015, your board looks forward to another year of significant growth in Hybridization and Managed Services revenues.

Our people have always been at the forefront of everything we do at ANS. Our aim is to attract, retain and develop the best talent in the industry and to ensure that each member of the team has a sense of purpose.



ANS Group plc

Consolidated

Financial Statements

For the year ended 31st March 2014

Company information

Directors

S J Fletcher
P P Sweeney
C S Malthouse
D Hutton

Z Fletcher
A P Barrow
S I Bomberg
P C Shannon

Company secretary

C S Malthouse

Company number

03176761

Registered office

Synergy House
Manchester Science Park
Manchester
M15 6SY

Auditor

CLB Coopers
Ship Canal House
98 King Street
Manchester
M2 4WU

Results and Dividends

Adjusted EBITDA pre-exceptional and one off items are up:

£5,957,681

(2013: £4,305,000)

The business is

99% owned by employees & people involved with the business...

...resulting in increased levels of commitment, morale, drive and performance, directly due to individuals having a vested interest in the performance and success of ANS Group.

Political and Charitable Contribution

During the year, the company made charitable contributions of

£125,286

including **£28,000** to The Factory Youth Zone

(2013: £48,905 including £28,000 to the Factory Youth Zone)

Financial Statements

The enclosed abbreviated financial statements and related notes have been extracted from the consolidated financial statements of ANS Group plc for the year ended 31 March 2014, which are available from the company's website www.ans.co.uk and in respect of which an unqualified opinion was given by the company's auditors, CLB Coopers.



vmware

Microsoft



Consolidated profit and loss account for the year ended 31 March 2014

19

		2014	2013
	Note	£	£
Turnover	2		
Sales		47,297,543	44,283,411
Cost of Sales		(33,544,420)	(32,731,118)
Gross profit		13,753,123	11,552,293
Administrative expenses		(9,508,270)	(8,567,726)
Operating profit	3	4,244,853	2,984,567
Interest receivable and similar income		53,909	116,177
Profit on ordinary activities before taxation		4,298,762	3,100,744
Tax on profit on ordinary activities	6	(1,006,082)	(810,350)
Profit for the financial year		3,292,680	2,290,394

There were no recognised gains and losses for 2014 or 2013 other than those included in the profit and loss account.

The notes on pages 22-27 form part of these financial statements.

Scott Fletcher | Chairman and Founder

20 Consolidated balance sheet as at 31 March 2014

	Note	2014		2013	
		£	£	£	£
Fixed assets					
Intangible assets	7		4,019,143		4,272,705
Tangible assets	8		1,030,243		675,546
Investments	9		50,000		50,000
			5,099,386		4,998,251
Current assets					
Stocks	10	11,855		98,783	
Debtors	11	11,815,692		11,494,972	
Cash and cash equivalents	12	8,610,076		6,617,768	
		20,437,623		18,211,523	
Creditors: amounts falling due within one year	13		(12,079,863)		(13,005,720)
Net current assets			8,357,760		5,205,803
Total assets less current liabilities			13,457,146		10,204,054
Accruals and deferred income	15		(7,334,275)		(7,117,510)
Net assets			6,122,871		3,086,544
Capital and reserves					
Called up share capital	16		164,466		175,007
Share premium account	18		1,974,777		1,974,777
Employee Benefit Trust share reserve	18		(20,176)		(1,350,334)
Capital redemption reserve	18		46,256		35,715
Other reserves	18		227,352		208,311
Profit and loss account	18		3,730,196		2,043,068
Shareholders' funds	19		6,122,871		3,086,544

The financial statements were approved and authorised for issue by the board and were signed on its behalf by: S J Fletcher, Director 19/09/2014



Scott Fletcher | Chairman and Founder

The notes on pages 22-27 form part of these financial statements.

Consolidated cash flow statement for the year ended 31 March 2014

21

		2014	2013
	Note	£	£
Net cash flow from operating activities	21	4,061,968	1,370,227
Returns on investments and servicing of finance	22	53,909	116,177
Taxation		(960,342)	(672,839)
Capital expenditure and financial investment	22	(863,483)	(1,999,145)
Acquisitions and disposals	22	(19,440)	(692,308)
Equity dividends paid		(280,304)	(146,303)
Cash and cash equivalent inflow/(outflow) before financing		1,992,308	(2,024,191)
Financing	22	-	131,946
Increase/(decrease) in cash and cash equivalents in the year		1,992,308	(1,892,245)

Reconciliation of net cash flow to movement in net funds for the year ended 31 March 2014

	2014	2013
	£	£
Increase/(decrease) in cash and cash equivalents in the year	1,992,308	(1,892,245)
	-	-
Movement in net funds in the year	1,992,308	(1,892,245)
Net funds at 1 April 2013	6,617,768	8,510,013
Net funds at 31 March 2014	8,610,076	6,617,768

The notes on pages 22-27 form part of these financial statements.

22 Notes to the financial statements for the year ended 31 march 2014

1. Operating profit

The operating profit is stated after charging/(crediting):

	2014	2013
	£	£
Amortisation of intangible fixed assets	253,562	253,563
Depreciation of tangible fixed assets:		
- owned by the group	313,991	189,971
Operating lease rentals:		
- other operating leases	222,410	185,481
Difference on foreign exchange	19,115	20,394
Auditor's remuneration	22,000	22,000
Auditor's remuneration - taxation services	3,000	3,000
Decrease in value of cash equivalents	240,417	-
Employer financed retirement benefit scheme contribution	802,540	855,015

2. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2014	2013
	£	£
Wages and salaries	6,944,371	6,781,802
Social security costs	750,283	744,129
Other pension costs	6,624	6,624
Equity settled share based payments	36,934	35,830
	7,738,212	7,568,385

The average monthly number of employees, including the directors, during the year was as follows:

	2014	2013
	No.	No.
Administrative	33	30
Sales and marketing	43	46
Professional services	38	36
Managed services	50	24
	164	136

3. Intangible fixed assets

	Goodwill £
Cost	
At 1 April 2013 and 31 March 2014	4,829,671
Amortisation	
At 1 April 2013	556,966
Charge for the year	253,562
At 31 March 2014	810,528
Net book value	
At 31 March 2014	4,019,143
At 31 March 2013	4,272,705

4. Tangible fixed assets

	Leasehold improvements £	Motor vehicles £	Fixtures, fittings and office equipment £	Total £
Cost or valuation				
At 1 April 2013	92,220	36,458	1,859,262	1,987,940
Additions	310,513	-	393,690	704,203
Disposals	-	(17,520)	(31,234)	(48,754)
At 31 March 2014	402,733	18,938	2,221,718	2,643,389
Depreciation				
At 1 April 2013	92,030	26,452	1,193,912	1,312,394
Charge for the year	16,300	4,858	305,106	326,264
On disposals	-	(17,520)	(7,992)	(25,512)
At 31 March 2014	108,330	13,790	1,491,026	1,613,146
Net book value				
At 31 March 2014	294,403	5,148	730,692	1,030,243
At 31 March 2013	190	10,006	665,350	675,546

24 Notes to the financial statements for the year ended 31 march 2014

5. Debtors

	2014	2013
	£	£
Trade debtors	11,228,274	10,473,706
Other debtors	36,605	-
Prepayments and accrued income	523,740	994,193
Deferred tax asset (see note 14)	27,073	27,073
	11,815,692	11,494,972

6. Creditors

Amounts falling due within one year

	2014	2013
	£	£
Trade debtors	9,502,345	9,517,777
Amounts owed to group undertakings	-	-
Corporation tax	568,584	522,844
Other taxation and social security	2,008,934	2,023,363
Deferred consideration	-	19,440
Other creditors	-	922,296
	12,079,863	13,005,720

7. Accruals and deferred income

	2014	2013
	£	£
Accruals and deferred income	7,334,275	7,117,510

8. Share capital

Allotted, called up and fully paid

	2014	2013
	£	£
9,721,609 (2013: 10,775,696) Ordinary shares of £0.01 each	97,216	107,757
3,820,000 Ordinary 'B' shares of £0.01 each	38,200	38,200
2,905,000 Ordinary 'C' shares of £0.01 each	29,050	29,050
	164,466	175,007

9. Reserves

	Share premium account	Capital redemption reserve	Employee Benefit Trust share reserve	Other reserves	Profit and loss account
	£	£	£	£	£
At 1 April 2013	1,974,777	35,715	(1,350,334)	208,311	2,043,068
Profit for the financial year	-	-	-	-	3,292,680
Dividends	-	-	-	-	(133,007)
Purchase of own shares	-	-	-	-	(1,490,438)
Employee Benefit Trust - acquisition of own shares	-	-	(106,142)	-	-
Transfer on purchase of own shares	-	10,541	-	-	-
Equity settled share based payments	-	-	-	36,934	-
Transfer from other reserve	-	-	-	-	17,893
Transfer to distributable reserves	-	-	1,436,300	(17,893)	-
At 31 March 2014	1,974,777	46,256	(20,176)	227,352	3,730,196

10. Reconciliation of movement in shareholders' funds

	2014	2013
	£	£
Opening shareholders' funds	3,086,544	2,234,792
Profit for the financial year	3,292,680	2,290,394
Dividends (Note 20)	(133,007)	(293,601)
Shares issued during the year	-	2,418
Shares redeemed/cancelled during the year	(1,490,438)	-
Share premium on shares issued	-	129,528
Employee Benefit Trust acquisition of own shares	(106,142)	(1,312,817)
Other movements in profit and loss reserve	17,893	16,682
Equity settled share based payments	36,934	35,830
Other reserve movement	(17,893)	(16,682)
Sale of EBT shares	1,436,300	-
Closing shareholders' funds	6,122,871	3,086,544

11. Net cash flow from operating activities

	2014	2013
	£	£
Operating profit	4,244,853	2,984,567
Amortisation of intangible fixed assets	253,562	253,563
Depreciation of tangible fixed assets	326,264	189,971
Loss/(profit) on disposal of tangible fixed assets	22,242	(2,000)
Decrease/(increase) in stocks	86,928	(98,783)
(Increase)/decrease in debtors	(320,723)	2,780,369
Decrease in creditors	(588,092)	(4,773,290)
Equity settled share based payments	36,934	35,830
Net cash inflow from operating activities	4,061,968	1,370,227

12. Analysis of cash flows for headings netted in cash flow statement

	2014	2013
	£	£
Returns on investments and servicing of finance		
Interest received	53,909	116,177

	2014	2013
	£	£
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(704,203)	(688,328)
Sale of tangible fixed assets	1,000	2,000
Payments to acquire own shares	(160,280)	(1,312,817)
Net cash outflow from capital expenditure	(863,483)	(1,999,145)

13. Analysis of changes in net funds

	1-Apr 2013	Cash flow	Other non-cash changes	31-Mar 2014
	£	£	£	£
Cash and cash equivalents	6,617,768	1,992,308	-	8,610,076
Net funds	6,617,768	1,992,308	-	8,610,076

14. Operating lease commitments

At 31 March 2014 the group had annual commitments under non cancellable operating leases as follows:

	Land and buildings		Other	
	2014	2013	2014	2013
	£	£	£	£
Expiry date:				
Within 1 year	-	-	5,308	87,502
Between 2 and 5 years	199,363	107,041	32,991	18,269

Notes

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