

Company Registration No. 02027199 (England and Wales)

REGISTRAR'S
COPY

METASKIL PLC

**DIRECTORS' REPORT
AND FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2012

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METASKIL PLC

COMPANY INFORMATION

Directors	W C Eaton D R Homblow I Faulkner
Secretary	D R Homblow
Company number	02027199
Registered office	7 Fortuna Court Calleva Park Aldermaston Reading Berkshire RG7 8UB
Auditors	HW 30 Camp Road Farnborough Hampshire GU14 6EW
Business address	7 Fortuna Court Calleva Park Aldermaston Reading Berkshire RG7 8UB
Bankers	Lloyds TSB Bank PLC 1-2 Market Place Reading Berkshire RG1 2EQ

METASKIL PLC

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METASKIL PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2012

The directors present their report and financial statements for the year ended 31 March 2012

Principal activities and review of the business

The principal activity of the company continued to be the provision of a range of management consulting and staffing services to clients and other companies in the Metaskil Group. During the year the company achieved revenue of £3,089,469 with a gross profit of £387,508. Turnover was 25% higher than in the previous year and the company won contracts with both new and existing clients.

The market for consulting and staffing services suffered a downturn during 2009-11 but the low point was reached in January 2011. Since that time, we have achieved growth quarter on quarter and the revenue for the year was 25% higher than in 2010-11. Although the economic outlook remains uncertain, the directors are confident that the strategy for the company is sound and consider that turnover, gross profit and maintenance of available cash are the key performance indicators of the business. For further information please visit the company's web site at www.metaskil.com

Financial risk management objectives and policies

- a) the financial risk management objectives of the company for the period have been achieved and
- b) any additional information, other than is already contained within the accounts, with regard to the company's exposure to price risk, credit risk, liquidity risk and cash flow risk is not considered material for the assessment of the assets, liabilities, financial position and profit of the company

Payments of creditors

It is the policy of the company to settle suppliers' accounts in accordance with their individual terms of business. As at 31 March 2012 the company had £168,947 of trade creditors (creditor days 21).

Results and dividends

The results for the year are set out on page 5.

The directors recommend payment of an ordinary dividend amounting to £150,000.

Directors

The following directors have held office since 1 April 2011:

W C Eaton
D R Hornblow
I Faulkner

Charitable donations

2012
£

2011
£

During the year the company made the following payments:

Charitable donations

2,075

1,820

Charitable donations - The recipients, amounts and purpose of the charitable donations are as follows:

Kenya Children £1,300

St Michaels Hospice £250

Andover New Street Under 12s football team £25

MND Association £500

METASKIL PLC

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

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

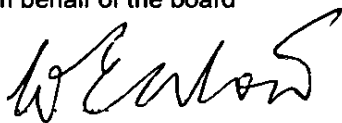
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



W C EATON
DIRECTOR

Dated 2017/12

METASKIL PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF METASKIL PLC

We have audited the financial statements of Metaskil PLC for the year ended 31 March 2012 set out on pages 5 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

METASKIL PLC

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF METASKIL PLC

Matters on which we are required to report by exception

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

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



Roslyn McFarlane (Senior Statutory Auditor)
for and on behalf of HW

20 July 2012

Chartered Accountants
Statutory Auditor

30 Camp Road
Farnborough
Hampshire
GU14 6EW

METASKIL PLC

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 £	2011 £
Turnover	2	3,089,469	2,479,255
Cost of sales		(2,701,961)	(2,161,860)
Gross profit		387,508	317,395
Administrative expenses		(382,590)	(353,905)
Operating profit/(loss)	3	4,918	(36,510)
Interest payable and similar charges	4	-	(106)
Profit/(loss) on ordinary activities before taxation		4,918	(36,616)
Tax on profit/(loss) on ordinary activities	5	485	-
Profit/(loss) for the year	13	5,403	(36,616)

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

METASKIL PLC

BALANCE SHEET

AS AT 31 MARCH 2012

	Notes	2012 £	£	2011 £	£
Fixed assets					
Tangible assets	7		7,026		5,246
Current assets					
Debtors amounts falling due within one year	8	2,394,200		1,214,632	
Debtors amounts falling due after more than one year	8	7,750		7,750	
Cash at bank and in hand		119,408		175,398	
		2,521,358		1,397,780	
Creditors. amounts falling due within one year	9	(2,424,142)		(1,154,187)	
Net current assets			97,216		243,593
Total assets less current liabilities			104,242		248,839
Provisions for liabilities	10		(1,315)		(1,315)
			102,927		247,524
Capital and reserves					
Called up share capital	12		52,083		52,083
Share premium account	13		49,167		49,167
Profit and loss account	13		1,677		146,274
Shareholders' funds	14		102,927		247,524

Approved by the Board and authorised for issue on 20/7/12



W.C. EATON

Director

Company Registration No. 02027199

METASKIL PLC

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2012

	£	2012 £	£	2011 £
Net cash inflow from operating activities		69,219		90,297
Returns on investments and servicing of finance				
Interest paid	-		(106)	
Dividends payable	(150,000)		-	
Net cash outflow for returns on investments and servicing of finance		(150,000)		(106)
Taxation		28,914		51
Capital expenditure				
Payments to acquire tangible assets	(4,123)		-	
Net cash outflow for capital expenditure		(4,123)		-
Net cash inflow before management of liquid resources and financing		(55,990)		90,242
Increase in cash in the year		(55,990)		90,242

METASKIL PLC

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

1	Reconciliation of operating profit/(loss) to net cash inflow from operating activities		2012	2011
			£	£
	Operating profit/(loss)		4,918	(36,510)
	Depreciation of tangible assets		2,343	1,750
	Increase in debtors		(1,208,284)	(445,566)
	Increase in creditors within one year		1,270,242	570,623
	Net cash inflow from operating activities		69,219	90,297
2	Analysis of net funds	1 April 2011	Cash flow	Other non- 31 March 2012
			cash changes	
		£	£	£
	Net cash			
	Cash at bank and in hand	175,398	(55,990)	-
	Net funds	175,398	(55,990)	-
3	Reconciliation of net cash flow to movement in net funds		2012	2011
			£	£
	(Decrease)/increase in cash in the year		(55,990)	90,242
	Movement in net funds in the year		(55,990)	90,242
	Opening net funds		175,398	85,156
	Closing net funds		119,408	175,398

METASKIL PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents the total value, excluding value added tax, of sales made during the year. All income is recognised on invoicing, any work performed but not yet invoiced is accrued as appropriate.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	25% reducing balance
Fixtures, fittings & equipment	25% reducing balance

1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Pensions

The company operates a defined contribution scheme for the benefit of its employees and directors. Contributions payable are charged to the profit and loss account in the year they are payable.

1.7 Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax.

Deferred tax is measured on an undiscounted basis at the rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.8 Debt factoring

Debtors are shown gross as an asset in the accounts and proceeds received from the factor are included within creditors as a liability.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

METASKIL PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

3	Operating profit/(loss)	2012	2011
		£	£
	Operating profit/(loss) is stated after charging		
	Depreciation of tangible assets	2,343	1,750
	Operating lease rentals		
	- Plant and machinery	7,082	8,228
	- Other assets	31,116	31,265
	Auditors remuneration	3,000	2,900
		<u> </u>	<u> </u>
Auditors' remuneration in relation to the supply of non audit services is disclosed in the consolidated financial statements of Metaskil Group Limited, the ultimate parent company			
4	Interest payable	2012	2011
		£	£
	On bank loans and overdrafts	-	106
		<u> </u>	<u> </u>
5	Taxation	2012	2011
		£	£
	Domestic current year tax		
	Adjustment for prior years	(485)	-
		<u> </u>	<u> </u>
	Total current tax	(485)	-
		<u> </u>	<u> </u>
	Factors affecting the tax charge for the year		
	Profit/(loss) on ordinary activities before taxation	4,918	(36,616)
		<u> </u>	<u> </u>
	Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2011 - 21.00%)	984	(7,689)
		<u> </u>	<u> </u>
	Effects of		
	Expenses not deductible for tax purposes	1,751	2,087
	Capital allowances for period in excess of depreciation	469	32
	Tax losses utilised	(3,204)	5,570
	Adjustments to previous periods	(485)	-
		<u> </u>	<u> </u>
		(1,469)	7,689
		<u> </u>	<u> </u>
	Current tax charge for the year	(485)	-
		<u> </u>	<u> </u>

The company has estimated losses of £ 661 (2011 - £ 11,073) available for carry forward against future trading profits

METASKIL PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

6	Dividends		2012	2011
			£	£
	Ordinary final proposed		150,000	-
			<u> </u>	<u> </u>
7	Tangible fixed assets			
		Plant and machinery	Fixtures, fittings & equipment	Total
		£	£	£
	Cost			
	At 1 April 2011	10,926	6,885	17,811
	Additions	3,723	400	4,123
		<u> </u>	<u> </u>	<u> </u>
	At 31 March 2012	14,649	7,285	21,934
		<u> </u>	<u> </u>	<u> </u>
	Depreciation			
	At 1 April 2011	9,197	3,368	12,565
	Charge for the year	1,363	980	2,343
		<u> </u>	<u> </u>	<u> </u>
	At 31 March 2012	10,560	4,348	14,908
		<u> </u>	<u> </u>	<u> </u>
	Net book value			
	At 31 March 2012	4,089	2,937	7,026
		<u> </u>	<u> </u>	<u> </u>
	At 31 March 2011	1,729	3,517	5,246
		<u> </u>	<u> </u>	<u> </u>

METASKIL PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

8 Debtors	2012 £	2011 £
Trade debtors	555,762	241,510
Amounts owed by parent and fellow subsidiary undertakings	1,555,054	761,732
Corporation tax	-	28,716
Other debtors	500	23,083
Prepayments and accrued income	290,634	167,341
	<u>2,401,950</u>	<u>1,222,382</u>

Amounts falling due after more than one year and included in the debtors above are

	2012 £	2011 £
Prepayments	<u>7,750</u>	<u>7,750</u>

9 Creditors amounts falling due within one year	2012 £	2011 £
Trade creditors	168,947	41,360
Amounts owed to parent and fellow subsidiary undertakings	1,967,077	946,572
Corporation tax	-	287
Other taxes and social security costs	26,695	15,155
Other creditors	5,241	26,313
Accruals and deferred income	256,182	124,500
	<u>2,424,142</u>	<u>1,154,187</u>

The company has an invoice discounting facility with Lloyds TSB Commercial Finance. No funds were in use at 31 March 2012 (2011 - £nil). The company has given a debenture over all of its assets as security for funds advanced under the facility.

The company, together with other group companies, is party to an omnibus guarantee and set-off agreement with respect to all monies and liabilities at any time due to the bank by any member of the group.

METASKIL PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

10 Provisions for liabilities

	Deferred tax liability £
Balance at 1 April 2011 & at 31 March 2012	1,315

The deferred tax liability is made up as follows:

	2012 £	2011 £
Accelerated capital allowances	1,315	1,315

11 Pension and other post-retirement benefit commitments

Defined contribution

The pension contributions payable at the year end were £2,996 (2011 - £3,859)

	2012 £	2011 £
Contributions payable by the company for the year	26,881	39,966

12 Share capital

	2012 £	2011 £
Allotted, called up and fully paid		
52,083 Ordinary shares of £1 each	52,083	52,083

13 Statement of movements on reserves

	Share premium account £	Profit and loss account £
Balance at 1 April 2011	49,167	146,274
Profit for the year	-	5,403
Dividends paid	-	(150,000)
Balance at 31 March 2012	49,167	1,677

METASKIL PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

14 Reconciliation of movements in shareholders' funds	2012 £	2011 £
Profit/(Loss) for the financial year	5,403	(36,616)
Dividends	(150,000)	-
Net depletion in shareholders' funds	(144,597)	(36,616)
Opening shareholders' funds	247,524	284,140
Closing shareholders' funds	102,927	247,524

15 Financial commitments

At 31 March 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2013

	Land and buildings		Other	
	2012 £	2011 £	2012 £	2011 £
Operating leases which expire				
Within one year	-	-	5,667	-
Between two and five years	-	-	836	7,763
In over five years	30,225	30,225	-	-
	30,225	30,225	6,503	7,763

METASKIL PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2012

16 Directors' remuneration	2012 £	2011 £
Remuneration for qualifying services	248,258	265,418
Company pension contributions to defined contribution schemes	7,453	31,861
	<u>255,711</u>	<u>297,279</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2011 - 2)

Remuneration disclosed above include the following amounts paid to the highest paid director

Remuneration for qualifying services	126,500	111,964
Company pension contributions to defined contribution schemes	6,325	25,536

Fees paid to W C Eaton for consultancy have been reallocated in the prior year to Directors' remuneration for more comparable amounts

17 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2012 Number	2011 Number
Administration	2	2
Operations	11	7
	<u>13</u>	<u>9</u>

Employment costs	2012 £	2011 £
Wages and salaries	650,044	438,472
Social security costs	66,774	53,461
Other pension costs	26,881	39,966
	<u>743,699</u>	<u>531,899</u>

METASKIL PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2012**

18 Control

The company considers Metaskil Group Ltd, a company incorporated in England & Wales, to be its ultimate parent company. Copies of the parent company consolidated financial statements can be obtained from the registered office at 7 Fortuna Court, Calleva Park, Aldermaston, Reading, RG7 8UB.

19 Related party relationships and transactions

The company has taken advantage of the exemption available in accordance with FRS 8 'Related party disclosures' to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate holding company. These transactions are available from the parent company's registered address.

At the year end the company owed Ladybrook Limited, a company owned by W C Eaton a director, £nil (2011 - £nil). The movement during the year represents consultancy work invoiced of £23,590 (2011 - £22,322), less amounts repaid of £23,590 (2011 - £22,322).

At the year end the company owed The Consultancy Corporation Limited, a company owned by D R Hornblow a director, £nil (2011 - £nil). The movement during the year represents consultancy work invoiced of £90,000 (2011 - £nil) less amounts repaid of £90,000 (2011 - £nil).