

Report of the Directors and
Unaudited Financial Statements for the Year Ended 31 August 2012
for
Euro Business Solutions Ltd

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for the Year Ended 31 August 2012

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Euro Business Solutions Ltd

Company Information
for the Year Ended 31 August 2012

DIRECTORS:

A Donaldson
R J Bell

SECRETARY:

Mrs R E Donaldson

REGISTERED OFFICE:

Euro House
Macmerry Business Park
Macmerry
East Lothian
EH33 1RW

REGISTERED NUMBER:

SC176014 (Scotland)

ACCOUNTANTS:

Cowan & Partners Limited
60 Constitution Street
Edinburgh
EH6 6RR

Report of the Directors
for the Year Ended 31 August 2012

The directors present their report with the financial statements of the company for the year ended 31 August 2012.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of supply and installation of computers and software systems.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 September 2011 to the date of this report.

A Donaldson
R J Bell

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

R J Bell - Director

8 April 2013

Profit and Loss Account
for the Year Ended 31 August 2012

	Notes	31.8.12 £	31.8.11 £
TURNOVER		1,017,627	850,372
Cost of sales		<u>435,751</u>	<u>321,540</u>
GROSS PROFIT		581,876	528,832
Administrative expenses		<u>450,208</u>	<u>415,045</u>
		131,668	113,787
Other operating income		<u>158</u>	<u>(150)</u>
OPERATING PROFIT	2	131,826	113,637
Interest payable and similar charges		<u>7,269</u>	<u>8,237</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		124,557	105,400
Tax on profit on ordinary activities	3	<u>25,956</u>	<u>21,397</u>
PROFIT FOR THE FINANCIAL YEAR		<u>98,601</u>	<u>84,003</u>

The notes form part of these financial statements

Balance Sheet
31 August 2012

	Notes	31.8.12 £	£	31.8.11 £	£
FIXED ASSETS					
Intangible assets	5		92,447		112,346
Tangible assets	6		48,445		64,383
Investments	7		10		10
			<u>140,902</u>		<u>176,739</u>
CURRENT ASSETS					
Stocks		103,609		89,885	
Debtors	8	65,063		81,821	
Cash at bank and in hand		14		556	
		<u>168,686</u>		<u>172,262</u>	
CREDITORS					
Amounts falling due within one year	9	<u>246,423</u>		<u>264,501</u>	
NET CURRENT LIABILITIES			<u>(77,737)</u>		<u>(92,239)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			63,165		84,500
CREDITORS					
Amounts falling due after more than one year	10		(15,856)		(36,456)
PROVISIONS FOR LIABILITIES			<u>(5,675)</u>		<u>(8,212)</u>
NET ASSETS			<u>41,634</u>		<u>39,832</u>
CAPITAL AND RESERVES					
Called up share capital	12		120		120
Profit and loss account	13		<u>41,514</u>		<u>39,712</u>
SHAREHOLDERS' FUNDS			<u>41,634</u>		<u>39,832</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2012.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2012 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

Euro Business Solutions Ltd (Registered number: SC176014)

Balance Sheet - continued

31 August 2012

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 8 April 2013 and were signed on its behalf by:

R J Bell - Director

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 August 2012

1. **ACCOUNTING POLICIES**

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax. The company's policy is to recognise a sale when substantively all the risks and rewards in connection with the goods have been passed to the buyer.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2009, is being amortised evenly over its estimated useful life of twenty years.

In addition, goodwill, being the amount paid in connection with the acquisition of contracts and goodwill of another business in 2011, is being amortised evenly over its estimated useful life of 5 years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

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

Notes to the Financial Statements - continued
for the Year Ended 31 August 2012

2. OPERATING PROFIT

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

	31.8.12	31.8.11
	£	£
Depreciation - owned assets	4,735	6,388
Depreciation - assets on hire purchase contracts or finance leases	11,413	16,100
Profit on disposal of fixed assets	-	(2,105)
Goodwill amortisation	<u>19,899</u>	<u>16,804</u>
Directors' remuneration and other benefits etc	<u>16,800</u>	<u>14,352</u>

3. TAXATION

Analysis of the tax charge

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

	31.8.12	31.8.11
	£	£
Current tax:		
UK corporation tax	28,807	19,040
Under/(over) provision in prior year	<u>(314)</u>	<u>(862)</u>
Total current tax	28,493	18,178
Deferred tax	<u>(2,537)</u>	<u>3,219</u>
Tax on profit on ordinary activities	<u>25,956</u>	<u>21,397</u>

4. DIVIDENDS

	31.8.12	31.8.11
	£	£
Ordinary shares of £1 each		
Interim	<u>96,799</u>	<u>75,304</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2012

5. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 September 2011	
and 31 August 2012	<u>133,467</u>
AMORTISATION	
At 1 September 2011	21,121
Charge for year	<u>19,899</u>
At 31 August 2012	<u>41,020</u>
NET BOOK VALUE	
At 31 August 2012	<u>92,447</u>
At 31 August 2011	<u>112,346</u>

6. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 September 2011	82,842	90,159	173,001
Additions	<u>210</u>	<u>-</u>	<u>210</u>
At 31 August 2012	<u>83,052</u>	<u>90,159</u>	<u>173,211</u>
DEPRECIATION			
At 1 September 2011	70,244	38,374	108,618
Charge for year	<u>3,202</u>	<u>12,946</u>	<u>16,148</u>
At 31 August 2012	<u>73,446</u>	<u>51,320</u>	<u>124,766</u>
NET BOOK VALUE			
At 31 August 2012	<u>9,606</u>	<u>38,839</u>	<u>48,445</u>
At 31 August 2011	<u>12,598</u>	<u>51,785</u>	<u>64,383</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2012

6. **TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows:

	Motor vehicles £
COST	
At 1 September 2011	78,519
Transfer to ownership	(10,650)
At 31 August 2012	<u>67,869</u>
DEPRECIATION	
At 1 September 2011	28,650
Charge for year	11,413
Transfer to ownership	(6,434)
At 31 August 2012	<u>33,629</u>
NET BOOK VALUE	
At 31 August 2012	<u>34,240</u>
At 31 August 2011	<u>49,869</u>

7. **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
COST	
At 1 September 2011 and 31 August 2012	<u>10</u>
NET BOOK VALUE	
At 31 August 2012	<u>10</u>
At 31 August 2011	<u>10</u>

The company's investments at the balance sheet date in the share capital of companies include the following:

Eve Networks Limited
 Nature of business: Dormant
 %
 Class of shares: holding
 Ordinary shares 100.00

The profit for the financial period to 30 June 2012 of Eve Networks Limited was £NIL (2011: £NIL) and the aggregate amount of capital and reserves at the period end was £10 (2011: £10).

Notes to the Financial Statements - continued
for the Year Ended 31 August 2012

8. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.8.12	31.8.11
	£	£
Trade debtors	50,407	81,821
Other debtors	14,656	-
	<u>65,063</u>	<u>81,821</u>

9. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.8.12	31.8.11
	£	£
Bank loans and overdrafts	79,653	88,685
Trade creditors	66,413	29,277
Tax	24,935	34,168
Social security and other taxes	26,585	29,131
Other creditors	48,837	83,240
	<u>246,423</u>	<u>264,501</u>

10. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.8.12	31.8.11
	£	£
Bank loans - 1-2 years	-	5,168
Other creditors	15,856	31,288
	<u>15,856</u>	<u>36,456</u>

11. **PROVISIONS FOR LIABILITIES**

	31.8.12	31.8.11
	£	£
Deferred tax	<u>5,675</u>	<u>8,212</u>
		Deferred tax
		£
Balance at 1 September 2011		8,212
Unwinding of provision		(2,537)
Balance at 31 August 2012		<u>5,675</u>

12. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			31.8.12	31.8.11
Number:	Class:	Nominal value:	£	£
120	Ordinary	£1	<u>120</u>	<u>120</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2012

13. **RESERVES**

	Profit and loss account £
At 1 September 2011	39,712
Profit for the year	98,601
Dividends	(96,799)
At 31 August 2012	<u>41,514</u>

14. **RELATED PARTY DISCLOSURES**

Euro Business Property Investments Limited

A company of which the directors are shareholders

During the period the company leased property from Euro Business Property Investments Limited amounting to £48,000 (2011: £48,000).

Also during the period the company made loans to Euro Business Property Investments Limited totalling £11,550 (2011: £8,810). Repayments of £3,002 (2011: £10,000) were received towards this.

The balance at the balance sheet date is included in other debtors.

	31.8.12 £	31.8.11 £
Amount due from/(to) related party at the balance sheet date	<u>5,056</u>	<u>(3,491)</u>

A Donaldson

Director

During the year the director introduced £34,766 and withdrew £29,004.

The period end balance, which is included in other creditors, is an interest free loan, unsecured and has no fixed repayment terms.

	31.8.12 £	31.8.11 £
Amount due to related party at the balance sheet date	<u>10,762</u>	<u>5,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2012

14. RELATED PARTY DISCLOSURES - continued

R J Bell
Director

During the year the director introduced £35,866 and withdrew £40,104.

The period end balance, which is included in other creditors, is an interest free loan, unsecured and has no fixed repayment terms.

	31.8.12	31.8.11
	£	£
Amount due to related party at the balance sheet date	<u>10,762</u>	<u>15,000</u>

Mrs. R Donaldson

Wife of director

During the year Mrs R Donaldson loaned the company £16,133 (2011: £NIL) and the company repaid amounts of £13,047 (2011: £8,211).

The period end balance, which is included in other creditors, is an interest free loan, unsecured and has no fixed repayment terms.

	31.8.12	31.8.11
	£	£
Amount due to related party at the balance sheet date	<u>3,086</u>	<u>-</u>

Mrs. R Bell

Wife of director

During the year Mrs R Bell loaned the company £16,133 (2011: £NIL) and the company repaid amounts of £13,047 (2011: £8,211).

The period end balance, which is included in other creditors, is an interest free loan, unsecured and has no fixed repayment terms.

	31.8.12	31.8.11
	£	£
Amount due to related party at the balance sheet date	<u>3,086</u>	<u>-</u>

15. ULTIMATE CONTROLLING PARTY

There is not one controlling party in the company due to there not being a majority shareholder.

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