

Company Registration No. SC224310

BLACKCIRCLES.COM LIMITED

Abbreviated Accounts

31 DECEMBER 2008

THURSDAY



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SCT 29/10/2009 329
COMPANIES HOUSE

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SCT 29/10/2009 487
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BLACKCIRCLES.COM LIMITED

REPORT AND FINANCIAL STATEMENTS 2008

OFFICERS AND PROFESSIONAL ADVISERS OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Michael Welch
Kenneth Baillie (appointed 21 February 2008)

SECRETARY

Kenneth Baillie (appointed 24 April 2009)
DM Company Services Limited (resigned 24 April 2009)

REGISTERED OFFICE

Rowan Court
Cavalry Park
Peebles
Peeblesshire
EH45 9BU

BANKERS

Royal Bank of Scotland plc
142/144 Princes Street
Edinburgh
EH2 4EQ

SOLICITORS

HBJ Gateley Wareing LLP
Exchange Tower
19 Canning Street
Edinburgh
EH3 8EH

INDEPENDENT AUDITORS

Deloitte LLP
Edinburgh, United Kingdom

Blackcircles.com Limited is a subsidiary of Black Circles Holdings Limited (SC 258092)

BLACKCIRCLES.COM LIMITED

DIRECTORS' REPORT

The directors present the following annual report on the affairs of the company, together with the financial statements for the year ended 31 December 2008. This directors' report has been prepared in accordance with the special provisions relating to small companies under section 246(4) of the Companies Act 1985.

PRINCIPAL ACTIVITIES

The principal trading activity is the supply and fitting of car tyres, sold principally through the internet and fitted across a national network of over 950 garages in the UK and by mail order into Continental Europe.

2008 saw a further year of substantial growth, benefiting from continuing investments in infrastructure and systems and in low pricing for our customers. Blackcircles.com retails top brand tyres at highly competitive prices based on our web-based low cost business model. We have established new commercial partnerships with blue chip companies throughout 2008 which will provide further impetus to sales. The customer base continues to grow and is supported by a commitment to the highest standards of customer service. The share issue in 2008 provides a strong financial platform to support our ambitious and exciting expansion plans. It is envisaged that 2009 will see the company continue to develop the considerable momentum of recent years.

PRINCIPAL RISKS AND UNCERTAINTIES

The company manages its risks through regular review of the key risks facing the company and by monitoring performance. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook. The company is funded by shareholder equity and has no third party borrowings.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and financial statements.

DIRECTORS

The directors of the company are:

Michael Welch

Kenneth Baillie (appointed 21 February 2008)

AUDITORS

The directors at the date of approval of this report confirm that:

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

This confirmation is given and should be interpreted in accordance with the provisions of section 234ZA of the Companies Act 1985.

Deloitte LLP have expressed their willingness to continue in office as auditors. In accordance with s385 of the Companies Act 1985, a resolution to re-appoint them as auditors of the company will be proposed at the forthcoming Annual General Meeting.

Approved by the Directors
and signed on behalf of the Board



Michael Welch
Director

26/10/09

INDEPENDENT AUDITORS' REPORT TO BLACKCIRCLES.COM LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 6, together with the financial statements of Blackcircles.com Limited for the year ended 31 December 2008 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company in accordance with section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters that we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion, the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.



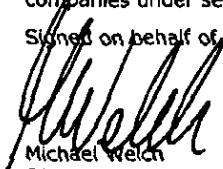
Deloitte LLP
Chartered Accountants and Registered Auditors
Edinburgh, United Kingdom
26 October 2009

BLACKCIRCLES.COM LIMITED**BALANCE SHEET**
31 December 2008

		2008	2007
	Note	£	£
FIXED ASSETS			
Tangible assets	2	<u>194,384</u>	<u>165,924</u>
CURRENT ASSETS			
Debtors		563,006	323,986
Cash at bank and in hand		<u>320,172</u>	<u>173,478</u>
		<u>883,178</u>	<u>497,464</u>
CREDITORS: amounts falling due within one year		<u>(1,879,381)</u>	<u>(1,466,248)</u>
NET CURRENT LIABILITIES		<u>(996,203)</u>	<u>(968,784)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(801,819)</u>	<u>(802,860)</u>
CAPITAL AND RESERVES			
Called up share capital	3	100	100
Share premium account		37,475	37,475
Profit and loss account		<u>(839,394)</u>	<u>(840,435)</u>
SHAREHOLDER'S DEFICIT		<u>(801,819)</u>	<u>(802,860)</u>

These abbreviated accounts have been prepared in accordance with the special provisions relating to small companies under section 246 of the Companies Act 1985 with respect to the delivery of individual accounts.

Signed on behalf of the Board of Directors


Michael Welch
Director

26 / 10 / 09

BLACKCIRCLES.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2008

1. ACCOUNTING POLICIES

Accounting convention

The full financial statements from which these abbreviated accounts have been extracted, have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007) under the historical cost convention. The company's business activities are discussed in the directors' report on page 2. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the accounts.

Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation and any provisions for impairment.

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

Fixtures, fitting and equipment	25% per annum
Computer hardware and software	25% - 33% per annum

Web site development costs

Design and content development costs are capitalised only to the extent that they lead to the creation of an enduring asset delivering benefits at least as great as the amount capitalised. If there is insufficient evidence on which to base reasonable estimates of the economic benefits that will be generated in the period until the design and content are next updated, the costs of developing the design and content are charged to the profit and loss account as incurred. Capitalised amounts are recognised as computer software within tangible fixed assets.

Taxation

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

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 that result in an obligation to pay more tax, in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

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

Deferred tax is measured on a non discounted basis.

Leases

Operating lease rentals are charged to the profit and loss account in equal annual amounts over the lease term.

Grants

Government grants relating to fixed assets are treated as deferred income and released to the profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the profit and loss account as the related expenditure is incurred.

Pension costs

The company contributes to certain employees' personal defined contribution pension plans. The amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

BLACKCIRCLES.COM LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
Year ended 31 December 2008**2. TANGIBLE FIXED ASSETS**
2. TANGIBLE FIXED ASSETS

	Total £
Cost	
At 1 January 2008	360,249
Additions in year	121,669
At December 2008	481,918
Accumulated depreciation	
At 1 January 2008	194,325
Charge in year	93,209
At 31 December 2008	287,534
Net book value	
At 31 December 2008	194,384
At 31 December 2007	165,924

3. CALLED UP SHARE CAPITAL

	31 December 2008 £	31 December 2007 £
Authorised		
1,000 ordinary shares of £1.00 each	1,000	1,000
Called up, allotted and fully paid		
100 ordinary shares of £1.00 each	100	100

4. ULTIMATE PARENT COMPANY

The immediate and ultimate parent company is Black Circles Holdings Limited, a company incorporated in the United Kingdom. Copies of the abbreviated financial statements of Black Circles Holdings Limited can be obtained from Companies House, Argyle House, 37 Castle Terrace, Edinburgh EH1 2EB.

5. RELATED PARTY TRANSACTIONS

At 31 December 2008, Blackcircles.com Limited owed £212,006 (2007: £222,578) to Black Circles Holdings Limited, in respect of expenses paid on its behalf by Black Circles Holdings Limited. This amount is included in creditors: amounts due within one year.