

Registered number
SC 277621

Source Telecom (Scotland) Limited

Abbreviated Accounts

31 December 2009

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COMPANIES HOUSE

Source Telecom (Scotland) Limited
Registered number: SC 277621
Abbreviated Balance Sheet
as at 31 December 2009

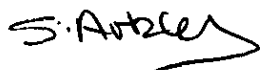
	Notes	2009 £	2008 £
Fixed assets			
Tangible assets	2	6,018	6,333
Current assets			
Debtors		132,222	102,521
Cash at bank and in hand		631	134
		<u>132,853</u>	<u>102,655</u>
Creditors: amounts falling due within one year		(212,375)	(148,819)
Net current liabilities		<u>(79,522)</u>	<u>(46,164)</u>
Total assets less current liabilities		<u>(73,504)</u>	<u>(39,831)</u>
Provisions for liabilities		(913)	(1,012)
Net liabilities		<u>(74,417)</u>	<u>(40,843)</u>
Capital and reserves			
Called up share capital	3	100	100
Profit and loss account		(74,517)	(40,943)
Shareholders' funds		<u>(74,417)</u>	<u>(40,843)</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

Susan Arkley
Director



Approved by the board on 21st September 2010

Claire McGuinness
Director



Source Telecom (Scotland) Limited
Notes to the Abbreviated Accounts
for the year ended 31 December 2009

1 Accounting policies

Basis of preparation

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

Commission clawbacks charged on the company have caused the company significant cash flow problems. Whilst there are anticipated to be additional clawbacks in the year ending 31st December 2010, the company has secured a contract that will provide additional turnover of £100,000 for the year, which is well in excess of these expected commission clawbacks. As a result the directors have adopted the going concern basis of accounting.

Turnover

Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Plant and machinery	25% reducing balance or over lease term
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Deferred taxation

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes. Deferred taxation is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

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

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Cash flow forecast

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 from presenting a cash flow statement as it qualifies as a Small Company.

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Notes to the Abbreviated Accounts
for the year ended 31 December 2009

2 Tangible fixed assets **£**

Cost

At 1 January 2009	24,805
Additions	2,108
At 31 December 2009	26,913

Depreciation

At 1 January 2009	18,472
Charge for the year	2,423
At 31 December 2009	20,895

Net book value

At 31 December 2009	6,018
At 31 December 2008	6,333

3 Share capital	2009	2008	2009	2008
	No	No	£	£
Allotted, called up and fully paid:				
Ordinary shares of £1 each	100	100	100	100

4 Transactions with directors

Included within other debtors due within one year are interest-free, unsecured loans of £55,883 (2008: £45,300) to S Arkley, a director, and £20,502 (2008:£15,252) to C McGuinness, also a director. The maximum amounts outstanding during the year were £55,883 and £20,502 respectively.