

Companies
House
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Registered number
SC277621

Source Telecom (Scotland) Limited

Abbreviated Accounts

31 December 2012

TUESDAY



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24/09/2013

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COMPANIES HOUSE

Source Telecom (Scotland) Limited
Registered number: SC277621
Abbreviated Balance Sheet
as at 31 December 2012

	Notes	2012	2011
		£	£
Fixed assets			
Tangible assets	2	7,511	8,624
Current assets			
Debtors	65,931	122,214	
Cash at bank and in hand	135	15,919	
	66,066	138,133	
Creditors: amounts falling due within one year	(305,470)	(323,228)	
Net current liabilities		(239,404)	(185,095)
Net liabilities		<u>(231,893)</u>	<u>(176,471)</u>
Capital and reserves			
Called up share capital	3	100	100
Profit and loss account		(231,993)	(176,571)
Shareholder's funds		<u>(231,893)</u>	<u>(176,471)</u>

The director is satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The member has not required the company to obtain an audit in accordance with section 476 of the Act.

The director acknowledges her 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 19 September 2013

Susan Arkley

Source Telecom (Scotland) Limited
Notes to the Abbreviated Accounts
for the year ended 31 December 2012

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).

A combination of the incorporation of a provision for kit credits outstanding to customers of £155,445 (2009: £80,000) and commission clawbacks of £81,331 (2009: £131,991) have had a detrimental effect on the trading results. Despite the loss for the year and the losses brought forward, the director is confident that new commission agreements will prevent the company from being vulnerable to these unexpected commission clawbacks and this and the expected turnover growth to £750,000 for the year ended 31st December 2011 should see the company recovering over the next twelve month period. The director has therefore continued to adopt the going concern basis of accounting.

Turnover

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

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

Deferred taxation

Full provision is made for deferred taxation liabilities 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.

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.

Source Telecom (Scotland) Limited
Notes to the Abbreviated Accounts
for the year ended 31 December 2012

2 Tangible fixed assets

£

Cost

At 1 January 2012	33,961
Additions	1,390
At 31 December 2012	<u>35,351</u>

Depreciation

At 1 January 2012	25,337
Charge for the year	2,503
At 31 December 2012	<u>27,840</u>

Net book value

At 31 December 2012	<u>7,511</u>
At 31 December 2011	<u>8,624</u>

3 Share capital

**Nominal
value**

**2012
Number**

**2012
£**

**2011
£**

Allotted, called up and fully paid:
Ordinary shares

£1 each

100

100

100

4 Loans to directors

Description and conditions

**B/fwd
£**

**Paid
£**

**Repaid
£**

**C/fwd
£**

Susan Arkley

Director's Current Account

69,950

349

(36,000)

34,299

69,950

349

(36,000)

34,299