

**I.B.R.S. PLC**  
**FINANCIAL STATEMENTS**  
**FOR**  
**31ST DECEMBER 2012**



**SALEEMI ASSOCIATES**  
Chartered Accountants & Statutory Auditor  
792 Wickham Road  
Croydon CR0 8EA

# **I.B.R.S. PLC**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31ST DECEMBER 2012**

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**I.B.R.S. PLC****THE DIRECTORS' REPORT****YEAR ENDED 31ST DECEMBER 2012**

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st December 2012

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company during the year was that of computer consultants and dealers

The company is facing difficult trading conditions due to the saturation of the computer hardware market. The directors are considering diversifying into consultancy and other value added services.

**RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £45,818. Particulars of dividends paid are detailed in note 8 to the financial statements

**FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The company uses a number of financial instruments which includes loans, cash and other trade items such as trade debtors and trade creditors which arise directly from its operations

**THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE COMPANY**

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows

	<b>Ordinary Shares of £1 each</b>	
	<b>At 31 December 2012</b>	<b>At 1 January 2012</b>
R K Lodhi	<b>35,000</b>	35,000
S K Lodhi	<b><u>15,000</u></b>	<u>15,000</u>

**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 year.

In preparing those 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,

## I.B.R.S. PLC

### THE DIRECTORS' REPORT *(continued)*

#### YEAR ENDED 31ST DECEMBER 2012

- 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

#### AUDITOR

Saleemi Associates are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Signed by order of the directors



R K LODHI  
Company Secretary

Approved by the directors on 27th June 2013

**I.B.R.S. PLC****INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF I.B.R.S. PLC****YEAR ENDED 31ST DECEMBER 2012**

We have audited the financial statements of I B R S PLC for the year ended 31st December 2012. 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 shareholders, 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 shareholders those matters we are required to state to them in an auditor's 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 to 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 (APB'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 31st December 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 MATTERS 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.

## **I.B.R.S. PLC**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF I.B.R.S. PLC** *(continued)*

#### **YEAR ENDED 31ST DECEMBER 2012**


#### **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

792 Wickham Road  
Croydon CR0 8EA

27th June 2013

  
MOHAMMAD SALEEMI (Senior  
Statutory Auditor)  
For and on behalf of  
SALEEMI ASSOCIATES  
Chartered Accountants  
& Statutory Auditor

**I.B.R.S. PLC****PROFIT AND LOSS ACCOUNT****YEAR ENDED 31ST DECEMBER 2012**

	Note	2012 £	2011 £
<b>TURNOVER</b>	<b>2</b>	<b>158,194</b>	<b>197,816</b>
Cost of sales		<u>33,781</u>	<u>71,836</u>
<b>GROSS PROFIT</b>		<b>124,413</b>	<b>125,980</b>
Distribution Costs		—	893
Administrative expenses		72,467	74,759
Other operating income		<u>(3,487)</u>	<u>(3,500)</u>
<b>OPERATING PROFIT</b>	<b>3</b>	<b>55,433</b>	<b>53,828</b>
Interest payable and similar charges	<b>6</b>	—	698
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u><b>55,433</b></u>	<u><b>53,130</b></u>
Tax on profit on ordinary activities	<b>7</b>	<b>9,615</b>	<b>11,390</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u><u><b>45,818</b></u></u>	<u><u><b>41,740</b></u></u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

**I.B.R.S. PLC****BALANCE SHEET****31ST DECEMBER 2012**

	Note	2012 £	2011 £
<b>FIXED ASSETS</b>			
Tangible assets	9	47,052	39,898
<b>CURRENT ASSETS</b>			
Stocks	10	2,450	2,895
Debtors	11	238,764	181,271
Cash at bank and in hand		3,933	19,226
		<u>245,147</u>	<u>203,392</u>
<b>CREDITORS: Amounts falling due within one year</b>	12	<u>72,604</u>	<u>49,513</u>
<b>NET CURRENT ASSETS</b>		<u>172,543</u>	<u>153,879</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>219,595</u>	<u>193,777</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	15	50,000	50,000
Profit and loss account	16	169,595	143,777
<b>SHAREHOLDERS' FUNDS</b>	17	<u>219,595</u>	<u>193,777</u>

These financial statements were approved by the directors and authorised for issue on 27th June 2013, and are signed on their behalf by

R K LODHI  
Director



Company Registration Number 02458666



**I.B.R.S. PLC****CASH FLOW STATEMENT****YEAR ENDED 31ST DECEMBER 2012**

	Note	2012 £	2011 £
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>18</b>	<b>15,468</b>	<b>49,206</b>
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>	<b>18</b>	<b>–</b>	<b>(698)</b>
<b>TAXATION</b>	<b>18</b>	<b>–</b>	<b>(7,884)</b>
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>	<b>18</b>	<b>(11,371)</b>	<b>–</b>
<b>EQUITY DIVIDENDS PAID</b>		<b>(20,000)</b>	<b>(20,000)</b>
<b>(DECREASE)/INCREASE IN CASH</b>	<b>18</b>	<b><u>(15,903)</u></b>	<b><u>20,624</u></b>

**I.B.R.S. PLC****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST DECEMBER 2012****1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

**Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

**Fixed assets**

All fixed assets are initially recorded at cost

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Fixtures & Fittings	-	15-25% reducing balance
Motor Vehicles	-	15-25% reducing balance
Equipment	-	15-25% 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

**2. TURNOVER**

The turnover and profit before tax are attributable to the one principal activity of the company  
An analysis of turnover is given below

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
United Kingdom	<b><u>158,194</u></b>	<b><u>197,816</u></b>

**3. OPERATING PROFIT**

Operating profit is stated after charging

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Depreciation of owned fixed assets	<b>4,217</b>	<b>2,618</b>
Auditor's remuneration		
- as auditor	<b>1,000</b>	<b>1,000</b>
- for other services	<b><u>1,000</u></b>	<b><u>1,000</u></b>

**I.B.R.S. PLC****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST DECEMBER 2012****4. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the company during the financial year amounted to

	<b>2012</b>	<b>2011</b>
	<b>No</b>	<b>No</b>
Number of management staff	<b><u>2</u></b>	<b><u>2</u></b>

The aggregate payroll costs of the above were

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>15,217</b>	<b>28,833</b>
Social security costs	<b><u>192</u></b>	<b><u>1,981</u></b>
	<b><u>15,409</u></b>	<b><u>30,814</u></b>

**5. DIRECTORS' REMUNERATION**

The directors' aggregate remuneration in respect of qualifying services were

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Remuneration receivable	<b><u>15,217</u></b>	<b><u>28,833</u></b>

**6. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Interest payable on bank borrowing	<b><u>—</u></b>	<b><u>698</u></b>

**7. TAXATION ON ORDINARY ACTIVITIES****Analysis of charge in the year**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Current tax		
UK Corporation tax based on the results for the year at 17% (2011 - 21%)	<b>9,615</b>	<b>11,390</b>
Total current tax	<b><u>9,615</u></b>	<b><u>11,390</u></b>

**8. DIVIDENDS****Equity dividends**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Paid during the year		
Dividends on equity shares	<b><u>20,000</u></b>	<b><u>20,000</u></b>

**I.B.R.S. PLC****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST DECEMBER 2012****9. TANGIBLE FIXED ASSETS**

	<b>Freehold Property £</b>	<b>Fixtures &amp; Fittings £</b>	<b>Motor Vehicles £</b>	<b>Equipment £</b>	<b>Total £</b>
<b>COST</b>					
At 1 January 2012	27,441	11,919	5,250	52,129	96,739
Additions	—	9,155	—	2,216	11,371
<b>At 31 December 2012</b>	<u>27,441</u>	<u>21,074</u>	<u>5,250</u>	<u>54,345</u>	<u>108,110</u>
<b>DEPRECIATION</b>					
At 1 January 2012	—	9,573	1,890	45,378	56,841
Charge for the year	—	2,300	572	1,345	4,217
<b>At 31 December 2012</b>	<u>—</u>	<u>11,873</u>	<u>2,462</u>	<u>46,723</u>	<u>61,058</u>
<b>NET BOOK VALUE</b>					
<b>At 31 December 2012</b>	<u>27,441</u>	<u>9,201</u>	<u>2,788</u>	<u>7,622</u>	<u>47,052</u>
At 31 December 2011	<u>27,441</u>	<u>2,346</u>	<u>3,360</u>	<u>6,751</u>	<u>39,898</u>

**10. STOCKS**

	<b>2012 £</b>	<b>2011 £</b>
Raw materials	<u>2,450</u>	<u>2,895</u>

**11. DEBTORS**

	<b>2012 £</b>	<b>2011 £</b>
Trade debtors	<u>238,764</u>	<u>181,271</u>

**12. CREDITORS: Amounts falling due within one year**

	<b>2012 £</b>	<b>2011 £</b>
Overdrafts	610	—
Trade creditors	4,129	4,791
Corporation tax	23,191	13,576
PAYE and social security	15,242	12,009
VAT	6,186	8,895
Directors current accounts	21,946	8,045
Accruals and deferred income	1,300	2,197
	<u>72,604</u>	<u>49,513</u>

**I.B.R.S. PLC****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST DECEMBER 2012****12. CREDITORS: Amounts falling due within one year** *(continued)*

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2012	2011
	£	£
Overdrafts	<u>610</u>	<u>—</u>

**13. DERIVATIVES**

None held during the year

**14. RELATED PARTY TRANSACTIONS**

The company was under the control of Mr R K Lodhi throughout the current and previous year Mr Lodhi is the managing director and majority shareholder

The company trades with and rents its trading premises from Lords Associates Limited, a company under common control and regards these transactions as related party transactions

Rent payable in the year	£18,000 (2011 - £18,000)
Balance due from at year end	£238,764 (2011 - £176,481)

**15. SHARE CAPITAL****Authorised share capital:**

	2012	2011
	£	£
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

**Allotted, called up and fully paid:**

	2012		2011	
	No	£	No	£
50,000 Ordinary shares of £1 each	50,000	50,000	50,000	50,000

**16. PROFIT AND LOSS ACCOUNT**

	2012	2011
	£	£
Balance brought forward	143,777	122,037
Profit for the financial year	45,818	41,740
Equity dividends	<u>(20,000)</u>	<u>(20,000)</u>
Balance carried forward	<u>169,595</u>	<u>143,777</u>

**I.B.R.S. PLC****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST DECEMBER 2012****17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	<b>45,818</b>	<b>41,740</b>
Equity dividends	<b>(20,000)</b>	<b>(20,000)</b>
Net addition to shareholders' funds	<b>25,818</b>	<b>21,740</b>
Opening shareholders' funds	<b>193,777</b>	<b>172,037</b>
Closing shareholders' funds	<b>219,595</b>	<b>193,777</b>

**18. NOTES TO THE CASH FLOW STATEMENT****RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Operating profit	<b>55,433</b>	<b>53,828</b>
Depreciation	<b>4,217</b>	<b>2,618</b>
Decrease in stocks	<b>445</b>	<b>560</b>
Increase in debtors	<b>(57,493)</b>	<b>(21,775)</b>
Increase in creditors	<b>12,866</b>	<b>13,975</b>
Net cash inflow from operating activities	<b>15,468</b>	<b>49,206</b>

**RETURNS ON INVESTMENTS AND SERVICING OF FINANCE**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Interest paid	<b>—</b>	<b>(698)</b>
Net cash outflow from returns on investments and servicing of finance	<b>—</b>	<b>(698)</b>

**TAXATION**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Taxation	<b>—</b>	<b>(7,884)</b>

**CAPITAL EXPENDITURE**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Payments to acquire tangible fixed assets	<b>(11,371)</b>	<b>—</b>
Net cash outflow from capital expenditure	<b>(11,371)</b>	<b>—</b>

**I.B.R.S. PLC****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST DECEMBER 2012****18. NOTES TO THE CASH FLOW STATEMENT** *(continued)***RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**

	2012 £	2011 £
(Decrease)/Increase in cash in the period	(15,903)	20,624
Movement in net funds in the period	(15,903)	20,624
Net funds at 1 January 2012	19,226	(1,398)
Net funds at 31 December 2012	<u>3,323</u>	<u>19,226</u>

**ANALYSIS OF CHANGES IN NET FUNDS**

	At 1 Jan 2012 £	Cash flows £	At 31 Dec 2012 £
Net cash			
Cash in hand and at bank	19,226	(15,293)	3,933
Overdrafts	—	(610)	(610)
Net funds	<u>19,226</u>	<u>(15,903)</u>	<u>3,323</u>