

I.B.R.S. PLC
Financial Statements
31st December 2015



SALEEMI ASSOCIATES
Chartered accountant & statutory auditor
792 Wickham Road
Croydon CR0 8EA

I.B.R.S. PLC

Financial Statements

Year ended 31st December 2015

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I.B.R.S. PLC

Strategic Report

Year ended 31st December 2015

The principal activity of the company during the year was that of computer consultants and dealers. The company experienced difficult trading conditions due to the saturation of the computer hardware market. The directors have diversified into consultancy and other value added services. This has been successful and has improved profitability.

The business has consistent in past years and it is likely to remain the same in coming years.

This report was approved by the board of directors on 30 June 2016 and signed on behalf of the board by:

A handwritten signature in black ink, appearing to be 'R K Lodhi', written in a cursive style.

R K Lodhi
Director

I.B.R.S. PLC**Directors' Report** *(continued)***Year ended 31st December 2015**

The directors present their report and the financial statements of the company for the year ended 31st December 2015.

Directors

The directors who served the company during the year were as follows:

R K Lodhi
S K Lodhi

Dividends

Particulars of recommended dividends are detailed in note 9 to the financial statements.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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 the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

I.B.R.S. PLC

Directors' Report *(continued)*

Year ended 31st December 2015

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

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

This report was approved by the board of directors on 30 June 2016 and signed on behalf of the board by:



R K Lodhi
Director

I.B.R.S. PLC**Independent Auditor's Report to the Shareholders of I.B.R.S. PLC****Year ended 31st December 2015**

We have audited the financial statements of I.B.R.S. PLC for the year ended 31st December 2015 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows and the related notes. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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, 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 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 strategic report and the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice- FRS102 and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and 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 2015

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.



Mohammad Saleemi (Senior Statutory Auditor)

For and on behalf of
Saleemi Associates
Chartered accountant & statutory auditor

792 Wickham Road
Croydon CR0 8EA

30 June 2016

I.B.R.S. PLC**Statement of Income and Retained Earnings****Year ended 31st December 2015**

	Note	2015 £	2014 £
Turnover	3	152,000	177,550
Cost of sales		<u>4,064</u>	<u>7,174</u>
Gross profit		147,936	170,376
Administrative expenses		95,493	95,611
Other operating income		<u>5,726</u>	<u>4,196</u>
Operating profit	4	58,169	78,961
Profit on ordinary activities before taxation		<u>58,169</u>	78,961
Tax on profit on ordinary activities	8	12,085	13,957
Profit for the financial year and total comprehensive income		<u>46,084</u>	<u>65,004</u>
Dividends paid and payable	9	(20,000)	(20,000)
Retained earnings at the start of the year		<u>244,188</u>	199,184
Retained earnings at the end of the year		<u>270,272</u>	<u>244,188</u>

All the activities of the company are from continuing operations.

I.B.R.S. PLC**Statement of Financial Position****31st December 2015**

	Note	2015 £	2014 £
Fixed assets			
Tangible assets	10	39,457	41,924
Current assets			
Stocks	11	1,578	1,610
Debtors	12	413,082	387,113
Cash at bank and in hand		14,133	3,109
		<u>428,793</u>	<u>391,832</u>
Creditors: amounts falling due within one year	13	<u>147,978</u>	<u>139,568</u>
Net current assets		<u>280,815</u>	<u>252,264</u>
Total assets less current liabilities		<u>320,272</u>	<u>294,188</u>
Net assets		<u>320,272</u>	<u>294,188</u>
Capital and reserves			
Called up share capital	14	50,000	50,000
Profit and loss account	15	270,272	244,188
Shareholders funds		<u>320,272</u>	<u>294,188</u>

These financial statements were approved by the board of directors and authorised for issue on 30 June 2016, and are signed on behalf of the board by:



R K Lodhi
Director

Company registration number: 02458666

I.B.R.S. PLC**Statement of Cash Flows****Year ended 31st December 2015**

	2015	2014
	£	£
Cash flows from operating activities		
Profit for the financial year	46,084	65,004
<i>Adjustments for:</i>		
Depreciation of tangible assets	2,467	2,987
Tax on profit on ordinary activities	12,085	13,957
<i>Changes in:</i>		
Stocks	32	(235)
Trade and other debtors	(25,969)	(375,413)
Trade and other creditors	7,276	227,354
Cash generated from operations	41,975	(66,346)
Tax (paid)/received	(20,000)	23,786
Net cash from/(used in) operating activities	<u>21,975</u>	<u>(42,560)</u>
Cash flows from investing activities		
Purchase of tangible assets	—	(1,260)
Net cash used in investing activities	<u>—</u>	<u>(1,260)</u>
Cash flows from financing activities		
Proceeds from borrowings	9,049	64,824
Dividends paid	(20,000)	—
Net cash (used in)/from financing activities	<u>(10,951)</u>	<u>64,824</u>
Net increase in cash and cash equivalents	11,024	21,004
Cash and cash equivalents at beginning of year	3,109	2,105
Cash and cash equivalents at end of year	<u>14,133</u>	<u>23,109</u>

I.B.R.S. PLC

Notes to the Financial Statements

Year ended 31st December 2015

1. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

2. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1st January 2014. Details of how FRS 102 has affected the reported financial position and financial performance are given in note 18.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

I.B.R.S. PLC**Notes to the Financial Statements** *(continued)***Year ended 31st December 2015****2. Accounting policies** *(continued)***Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

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

Fixtures and fittings	- 20% reducing balance
Motor vehicles	- 15% reducing balance
Equipment	- 15% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

I.B.R.S. PLC**Notes to the Financial Statements** *(continued)***Year ended 31st December 2015****3. Turnover**

Turnover arises from:

	2015	2014
	£	£
Rendering of services	<u>152,000</u>	<u>177,550</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

4. Operating profit

Operating profit or loss is stated after charging:

	2015	2014
	£	£
Depreciation of tangible assets	<u>2,467</u>	<u>2,987</u>

5. Auditor's remuneration

	2015	2014
	£	£
Fees payable for the audit of the financial statements	<u>1,000</u>	<u>1,000</u>

6. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2015	2014
	No.	No.
Management staff	<u>3</u>	<u>2</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2015	2014
	£	£
Wages and salaries	49,500	47,025
Social security costs	<u>—</u>	<u>1,298</u>
	<u>49,500</u>	<u>48,323</u>

7. Directors' remuneration

The directors aggregate remuneration in respect of qualifying services was:

	2015	2014
	£	£
Remuneration	<u>39,600</u>	<u>94,050</u>

I.B.R.S. PLC**Notes to the Financial Statements** *(continued)***Year ended 31st December 2015****8. Tax on profit on ordinary activities****Major components of tax expense**

	2015	2014
	£	£
Current tax:		
UK current tax expense based on the results for the year at 20% (2014- 20%)	12,085	16,085
Adjustments in respect of prior periods	<u>—</u>	<u>(2,128)</u>
Total current tax	<u>12,085</u>	<u>13,957</u>
Tax on profit on ordinary activities	<u>12,085</u>	<u>13,957</u>

9. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2015	2014
	£	£
Dividends on equity shares	<u>20,000</u>	<u>20,000</u>

10. Tangible assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost					
At 1 Jan 2015 and 31 Dec 2015	<u>27,441</u>	<u>21,074</u>	<u>5,250</u>	<u>55,605</u>	<u>109,370</u>
Depreciation					
At 1 Jan 2015	—	15,185	3,235	49,026	67,446
Charge for the year	—	<u>1,178</u>	<u>302</u>	<u>987</u>	<u>2,467</u>
At 31 Dec 2015	<u>—</u>	<u>16,363</u>	<u>3,537</u>	<u>50,013</u>	<u>69,913</u>
Carrying amount					
At 31 Dec 2015	<u>27,441</u>	<u>4,711</u>	<u>1,713</u>	<u>5,592</u>	<u>39,457</u>
At 31 Dec 2014	<u>27,441</u>	<u>5,889</u>	<u>2,015</u>	<u>6,579</u>	<u>41,924</u>

In the opinion of the directors the market value of the freehold property is £140,000. The difference between the residual value and the book value is not considered to be material accordingly the land and buildings have not been depreciated.

11. Stocks

	2015	2014
	£	£
Raw materials and consumables	<u>1,578</u>	<u>1,610</u>

I.B.R.S. PLC**Notes to the Financial Statements** *(continued)***Year ended 31st December 2015****12. Debtors**

	2015 £	2014 £
Trade debtors	—	10,920
Other debtors	413,082	376,193
	<u>413,082</u>	<u>387,113</u>

13. Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	2,963	2,274
Accruals and deferred income	2,000	2,000
Corporation tax	29,828	37,743
Social security and other taxes	39,314	32,727
Director loan accounts	73,873	64,824
	<u>147,978</u>	<u>139,568</u>

14. Called up share capital**Authorised share capital**

	2015		2014	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>

Issued, called up and fully paid

	2015		2014	
	No.	£	No.	£
Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>

15. Reserves

	2015 £	2014 £
Balance brought forward	244,188	199,184
Profit for the financial year	46,084	65,004
Equity dividends	(20,000)	(20,000)
Balance carried forward	<u>270,272</u>	<u>244,188</u>

16. Directors' advances, credits and guarantees

There are not advances, credits and guarantees.

I.B.R.S. PLC**Notes to the Financial Statements** *(continued)***Year ended 31st December 2015****17. 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 (2014 - £18,000)
Balance due from at year end:	£413,082 (2014 - £376,193)

18. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1st January 2014.

Reconciliation of equity

	1st January 2014			31st December 2014		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Fixed assets	43,651	–	43,651	41,924	–	41,924
Current assets	15,180	–	15,180	391,832	–	391,832
Creditors: amounts falling due within one year	210,353	–	210,353	(139,568)	–	(139,568)
Net current assets	225,533	–	225,533	252,264	–	252,264
Total assets less current liabilities	269,184	–	269,184	294,188	–	294,188
Net assets	269,184	–	269,184	294,188	–	294,188
Capital and reserves	269,184	–	269,184	294,188	–	294,188

Reconciliation of profit or loss for the year

No transitional adjustments were required.