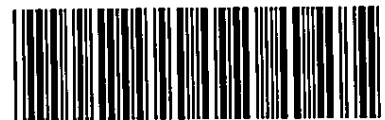


REGISTERED NUMBER 04144304

PAUL MASON CONSULTING LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2011

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PAUL MASON CONSULTING LIMITED
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FOR THE YEAR ENDED 31 MARCH 2011

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PAUL MASON CONSULTING LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2011

Directors	Paul Mason Gordon Ambidge Niall Gilna Ian Edwards (appointed 24 May 2011) Huw Thomas
Secretary	Iris Mason
Registered Office	Avalon House Marcham Road Abingdon Oxon OX14 1UD
Bankers	HSBC
Auditors	Critchleys LLP Statutory Auditor Avalon House Marcham Road Abingdon Oxon OX14 1UD
Registered Number	04144304 (England and Wales)

**PAUL MASON CONSULTING LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2011**

The Directors presents their report together with the financial statements of the Company and the Group for the year ended 31 March 2011

PRINCIPAL ACTIVITY

The principal activity of the Group in the year under review was to provide IT services to the Retail Sector

REVIEW OF BUSINESS

The results for the year and financial position of the Company and the Group are as shown in the annexed financial statements. A reduction in turnover was experienced due to the prevailing challenges in the economic environment slowing down the approval of customer projects and the completion early in the year of an abnormally large project that had contributed significantly to revenues in the previous two years.

A clear, controlled strategy for managing the consequent impact on profitability was undertaken. Due to the strength of the medium to long term sales pipeline, it was decided to retain key technical staff at the expense of short term profitability in order to protect the Company's ability to fulfil customer projects when approved. In addition, the Company's planned investments in staff training and improved tools were maintained in order to improve future capability, efficiency and profitability.

The strategy was financially underpinned by the renewal of an overdraft facility of £300k with the Company's bankers. The Company is confident that the expected benefits of implementing this strategy will be achieved in the year to March 2012 and beyond.

FINANCIAL RISK

Price risk, credit risk, liquidity risk and cash flow risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates.

The Group's principal financial instruments comprise bank balances, trade debtors and trade creditors. The main purpose of these instruments is to finance the Group's operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the Group's cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

CHARITABLE DONATIONS

During the year the Company made charitable donations totalling £6,752. Individual donations were

	£
Lotus Flower Trust	5,000
Other donations	<u>1,752</u>

RESULTS AND DIVIDENDS

The profit for the year, after taxation amounted to £9,932 (2010: £441,384). An interim ordinary dividend of £145,000 was paid during the year.

**PAUL MASON CONSULTING LIMITED
REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2011**

IMPACT OF THE EURO

The Directors believe that the introduction of the Euro would have no effect upon the trading of the Group

DIRECTORS

The Directors who held office during the year were as follows

- Paul Mason
- Gordon Ambidge
- Niall Gilna
- Huw Thomas
- Ian Edwards (appointed 24 May 2011)

STATEMENT OF 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 period. In preparing these financial statements, the Directors are required to

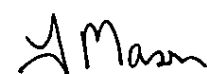
- select suitable accounting policies and apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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.

Disclosure of information to auditors

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Approved by the Board on 29/09/2011 and signed on its behalf by



Iris Mason
Company Secretary

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF PAUL MASON CONSULTING LIMITED**

We have audited the financial statements of Paul Mason Consulting Limited for the year ended 31 March 2011 which comprise the Group Profit and Loss Account, the Group and Parent Company Balance Sheets, the Group Cash Flow Statement, the Group Statement of Total Recognised Gains and Losses, the Group and Parent Company Reconciliation of Movements in Shareholders' Funds 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).

This report is made solely to the Company's members, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 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 Group's and the Parent 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 Directors' 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 the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Group's and Parent Company's affairs as at 31 March 2011 and of the Group's and Parent Company's 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 matter prescribed by the Companies Act 2006


In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF PAUL MASON CONSULTING LIMITED (CONTINUED)**

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 by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us, or
- the Parent Company 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


Kevin Byrne, Senior Statutory Auditor
For and on behalf of
Critchleys LLP, Statutory Auditor
Abingdon

Date 29. November 2011

PAUL MASON CONSULTING LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2011

	Notes	2011 £	2010 £
TURNOVER	2	5,478,371	6,896,045
Cost of sales		<u>(3,060,162)</u>	<u>(4,201,357)</u>
GROSS PROFIT		2,418,209	2,694,688
Administrative expenses		<u>(2,374,424)</u>	<u>(2,120,083)</u>
		43,785	574,605
Other operating income		<u>217</u>	<u>34,058</u>
OPERATING PROFIT	3	44,002	608,663
Interest receivable and similar income		22	95
Interest payable and similar charges		<u>(2,018)</u>	<u>(1,561)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		42,006	607,197
Tax on profit on ordinary activities	6	<u>(32,074)</u>	<u>(165,813)</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u><u>9,932</u></u>	<u><u>441,384</u></u>

CONTINUING OPERATIONS

None of the Group's activities were acquired or discontinued during the current year or previous year

PAUL MASON CONSULTING LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2011

	2011 £	2010 £
Turnover	5,478,371	6,957,690
Cost of sales	<u>(3,502,344)</u>	<u>(4,463,464)</u>
Gross profit	1,976,027	2,494,226
Administrative expenses		
Employment costs	1,167,136	1,224,011
Establishment costs	246,566	221,787
General administrative expenses	274,774	339,268
Finance charges	7,435	(4,102)
Depreciation costs	<u>104,409</u>	<u>103,627</u>
	<u>(1,800,320)</u>	<u>(1,884,591)</u>
Other interest receivable and similar income	<u>21</u>	<u>95</u>
Profit on ordinary activities before taxation	175,728	609,730
Taxation	<u>(32,074)</u>	<u>(165,813)</u>
Profit for the financial year	143,654	443,917
Accumulated profit and loss account brought forward	<u>742,761</u>	<u>483,844</u>
	886,415	927,761
Dividends	<u>(145,000)</u>	<u>(185,000)</u>
Accumulated profit and loss account carried forward	<u>741,415</u>	<u>742,761</u>

The notes form part of these financial statements

PAUL MASON CONSULTING LIMITED
CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2011

	2011 £	2010 £
PROFIT FOR THE FINANCIAL YEAR	9,932	441,384
Exchange differences on retranslation	<u>(23,937)</u>	<u>6,267</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u><u>(14,005)</u></u>	<u><u>447,651</u></u>

The notes form part of these financial statements

PAUL MASON CONSULTING LIMITED
CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2011

	Notes	£	2011 £	£	2010 £
FIXED ASSETS					
Intangible assets	8		72,216		107,954
Tangible assets	9		<u>215,921</u>		<u>219,307</u>
			288,137		327,261
CURRENT ASSETS					
Stocks	11	123,010		50,357	
Debtors	12	1,604,729		1,175,416	
Cash at bank		<u>42,586</u>		<u>401,976</u>	
		1,770,325		1,627,749	
CREDITORS					
Amounts falling due within one year	13	<u>(1,258,798)</u>		<u>(987,973)</u>	
NET CURRENT ASSETS			<u>511,527</u>		<u>639,776</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			799,664		967,037
CREDITORS					
Amounts falling due after more than one year	14		-		(13,432)
PROVISIONS FOR LIABILITIES	15		<u>(5,064)</u>		<u>-</u>
NET ASSETS			<u>794,600</u>		<u>953,605</u>
CAPITAL AND RESERVES					
Called up share capital	16		3,290		3,290
Share premium reserve	17		249,726		249,726
Profit and loss account	17		<u>541,584</u>		<u>700,589</u>
SHAREHOLDERS' FUNDS	18		<u>794,600</u>		<u>953,605</u>

The financial statements were approved and authorised for issue by the board of Directors on 29/09/2011 and were signed by



Paul Mason
Director

The notes form part of these financial statements

PAUL MASON CONSULTING LIMITED
COMPANY BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2011

	Notes	£	2011 £	£	2010 £
FIXED ASSETS					
Intangible assets	8		63,733		101,952
Tangible assets	9		141,388		135,866
Investments	10		<u>1,258</u>		<u>1,258</u>
			206,379		239,076
CURRENT ASSETS					
Stocks	11	221,452		50,357	
Debtors	12	1,786,940		1,333,413	
Cash at bank		<u>19,342</u>		<u>341,282</u>	
		2,027,734		1,725,052	
CREDITORS					
Amounts falling due within one year	13	<u>(1,234,618)</u>		<u>(968,351)</u>	
NET CURRENT ASSETS			<u>793,116</u>		<u>756,701</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			999,495		995,777
PROVISIONS FOR LIABILITIES	15		<u>(5,064)</u>		<u>-</u>
NET ASSETS			<u>994,431</u>		<u>995,777</u>
CAPITAL AND RESERVES					
Called up share capital	16		3,290		3,290
Share premium reserve	17		249,726		249,726
Profit and loss account	17		<u>741,415</u>		<u>742,761</u>
SHAREHOLDERS' FUNDS	18		<u>994,431</u>		<u>995,777</u>

The financial statements were approved and authorised for issue by the board of Directors on and were signed by

29/09/2011



Paul Mason
Director

The notes form part of these financial statements

PAUL MASON CONSULTING LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2011

	Notes	£	2011 £	£	2010 £
Net cash (outflow)/inflow from operating activities	1		125,185		(100,999)
Returns on investments and servicing of finance	2		(1,996)		(1,466)
Taxation			(173,090)		(164,777)
Capital expenditure	2		<u>(152,669)</u>		<u>(137,813)</u>
			(202,570)		(405,055)
Equity dividends paid			<u>(145,000)</u>		<u>(185,000)</u>
(Decrease)/increase in cash in the period			<u>(347,570)</u>		<u>(590,055)</u>
Reconciliation of net cash flow to movement in net debt	3				
(Decrease)/increase in cash in the period		(359,390)		(573,439)	
Cash outflow from increase in debt and lease financing		<u>11,820</u>		<u>(16,616)</u>	
Change in net debt resulting from cash flows			<u>(347,570)</u>		<u>(590,055)</u>
Movement in net debt in the period			(347,570)		(590,055)
Net funds/(debt) at 1 April			<u>385,360</u>		<u>975,415</u>
Net funds at 31 March			<u>37,790</u>		<u>385,360</u>

The company has an overdraft facility of £300,000 in place

The notes form part of these financial statements

PAUL MASON CONSULTING LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2011**1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES**

	2011 £	2010 £
Operating profit	44,002	608,663
Depreciation charges	147,787	156,039
Amortisation of development costs	36,915	61,764
Loss on disposal of tangible fixed assets	1,442	252
Exchange difference	(18,288)	3,974
(Increase) in work in progress	(72,653)	(50,357)
(Increase)/decrease in debtors	(429,313)	1,080,709
Increase/(decrease) in creditors	<u>415,293</u>	<u>(1,962,043)</u>
	<u>125,185</u>	<u>(100,999)</u>

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2011 £	2010 £
Returns on investments and servicing of finance		
Interest received	22	95
Interest paid	<u>(2,018)</u>	<u>(1,561)</u>
Net cash outflow for returns on investments and servicing of finance	<u>(1,996)</u>	<u>(1,466)</u>
Capital expenditure		
Purchase of tangible fixed assets	(159,389)	(138,106)
Purchase of intangible fixed assets	(1,556)	(362)
Sale of tangible fixed assets	<u>8,276</u>	<u>655</u>
Net cash outflow for capital expenditure	<u>(152,669)</u>	<u>(137,813)</u>

The notes form part of these financial statements

PAUL MASON CONSULTING LIMITED
NOTES TO THE CASH FLOW STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2011

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1/04/10 £	Cash flow £	At 31/03/11 £
Net cash			
Cash at bank	<u>401,976</u>	<u>(359,390)</u>	<u>42,586</u>
	<u>401,976</u>	<u>(359,390)</u>	<u>42,586</u>
Debt			
Debts falling due within one year	(3,184)	(1,612)	(4,796)
Debts falling due after one year	<u>(13,432)</u>	<u>13,432</u>	<u>-</u>
	<u>(16,616)</u>	<u>11,820</u>	<u>(4,796)</u>
Total	<u>385,360</u>	<u>(347,570)</u>	<u>37,790</u>

The notes form part of these financial statements

PAUL MASON CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**1 ACCOUNTING POLICIES****Accounting convention**

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

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all group undertakings. These are adjusted, where appropriate, to conform to Group accounting policies. Acquisitions are accounted for under the acquisition method and any goodwill arising on consolidation is capitalised and written off over twenty years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively.

Turnover

Turnover represents the total invoice value, excluding Value Added Tax, of sales made during the year.

Turnover is calculated on a time basis of work done by consultants during the period and the sales value of software licences supplied.

Support services and upgrades invoiced in advance are included in deferred income.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less and estimated residual value, over their expected useful economic life.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Fixtures, fittings and equipment, office equipment, computer software	Straight line over 2 or 3 years
--	---------------------------------

Subsidiary

Computer software and hardware	40% straight line
Fixtures, fittings and equipment	18 1% straight line
Office equipment	13 91% straight line
Motor vehicles	25 89% straight line

Research and development expenditure

Research and development expenditure is written off as incurred, except that development expenditure incurred on an individual project is carried forward when its future recoverability can be reasonably regarded as assured. Any expenditure carried forward is amortised in line with the expected future sales from the related project.

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

PAUL MASON CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**1 ACCOUNTING POLICIES (continued)****Work in progress**

Work in progress is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Costs include all direct costs and an appropriate proportion of fixed and variable overheads.

Deferred taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Foreign currencies

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the profit and loss account.

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Pensions

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

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

2 TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the Group.

Analysis of turnover by geographical market is given below:

	2011 £	2010 £
United Kingdom	<u>5,478,371</u>	<u>6,896,045</u>

PAUL MASON CONSULTING LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2011

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2011 £	2010 £
Loss on sale of fixed assets	1,442	252
Operating leases	84,945	79,167
Depreciation – owned assets	148,224	156,039
Amortisation of intangible assets	41,528	61,764
Auditors' remuneration – audit services	6,471	6,100
Auditors' remuneration – the audit of the Company's subsidiary	702	662
Auditors' remuneration – non audit services	2,300	1,865
Foreign exchange differences	<u>23,937</u>	<u>4,243</u>

4 STAFF COSTS

The average number of persons employed by the Group (including Directors) during the year, analysed by category, was as follows

	2011	2010
Technical	91	77
Administration	<u>21</u>	<u>18</u>
	<u>112</u>	<u>95</u>

The aggregate payroll costs of these persons were as follows

	2011 £	2010 £
Wages and salaries	3,355,295	3,211,028
Other pension costs	<u>116,335</u>	<u>101,554</u>
	<u>3,471,630</u>	<u>3,312,582</u>

PAUL MASON CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2011**5 DIRECTORS' REMUNERATION**

The Directors' remuneration for the year is as follows

	2011 £	2010 £
Directors' remuneration (including benefits in kind)	355,661	342,803
Directors' money purchase scheme	<u>29,313</u>	<u>23,253</u>
	<u>384,974</u>	<u>366,056</u>

The increase in Directors' remuneration relates to an additional non-executive Director. The increase in contributions to Directors' money purchase pension schemes relates to salary sacrifices in favour of pension contributions.

Included within the above analysis were payments of £23,200 (2010 £30,200) to Directors in respect of consultancy.

During the year the number of Directors who were accruing benefits under Company pension schemes was as follows

	2011 No	2010 No.
Money purchase	<u>2</u>	<u>2</u>

The aggregate of remuneration and amounts receivable under long term incentive schemes of the highest paid Director was £164,267 (2010 - £158,091) and Company pension contributions of £16,578 (2010 - £16,578) were made to a money purchase scheme on their behalf.

PAUL MASON CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2011**6 TAXATION****Analysis of current period tax charge**

The tax charge on the profit on ordinary activities for the year was as follows

	2011 £	2010 £
Current tax		
UK corporation tax	27,010	173,090
Deferred tax	<u>5,064</u>	<u>(7,277)</u>
Tax on profit on ordinary activities	<u>32,074</u>	<u>165,813</u>

Factors affecting current period tax charge

The tax assessed for the year is higher than (2010 – higher than) the standard rate of corporation tax in the UK of 21.00% (2010 – 28.00%). The difference is explained below

Profit on ordinary activities before tax	<u>42,006</u>	<u>607,197</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2010: 28%)	8,821	170,015
Effects of		
Expenses not deductible for tax purposes	957	26
Depreciation in excess of capital allowances	(6,530)	10,530
Marginal relief	-	(2,171)
R&D allowance	(4,319)	(6,019)
Translation differences arising on elimination of intercompany transactions	-	-
Other differences arising on elimination of intercompany transactions	19,717	(718)
Indian subsidiary loss for the year	<u>8,364</u>	<u>1,427</u>
Current tax charge	<u>27,010</u>	<u>173,090</u>

7 DIVIDENDS

	2011 £	2010 £
Equity dividends	<u>145,000</u>	<u>185,000</u>

PAUL MASON CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2011

8	INTANGIBLE FIXED ASSETS Group	Development costs
		£
	COST	
	At 1 April 2010	247,887
	Additions	1,556
	Exchange differences	<u>(567)</u>
	At 31 March 2011	<u>248,876</u>
	AMORTISATION	
	At 1 April 2010	139,933
	Amortisation for year	36,915
	Exchange differences	<u>(188)</u>
	At 31 March 2011	<u>176,660</u>
	NET BOOK VALUE	
	At 31 March 2011	<u>72,216</u>
	At 31 March 2010	<u>107,954</u>
	INTANGIBLE FIXED ASSETS Company	Development costs
		£
	COST	
	At 1 April 2010 and 31 March 2011	<u>238,914</u>
	AMORTISATION	
	At 1 April 2010	136,962
	Amortisation for year	<u>38,219</u>
	At 31 March 2011	<u>175,181</u>
	NET BOOK VALUE	
	At 31 March 2011	<u>63,733</u>
	At 31 March 2010	<u>101,952</u>

PAUL MASON CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 20119 TANGIBLE FIXED ASSETS
Group

	Fixtures & fittings £	Office equipment £	Computer software £	Total £
COST				
At 1 April 2010	80,934	282,389	264,627	627,950
Additions	58,357	32,242	68,790	159,389
Disposals	(859)	(13,824)	-	(14,683)
Exchange differences	(464)	(6,824)	-	(7,288)
At 31 March 2011	<u>137,968</u>	<u>293,983</u>	<u>333,417</u>	<u>765,368</u>
DEPRECIATION				
At 1 April 2010	71,581	165,900	171,162	408,643
Eliminated on disposals	(320)	(4,645)	-	(4,965)
Charge for the year	10,185	51,718	85,884	147,787
Exchange differences	(96)	(1,922)	-	(2,018)
At 31 March 2011	<u>81,350</u>	<u>211,051</u>	<u>257,046</u>	<u>549,447</u>
NET BOOK VALUE				
At 31 March 2011	<u>56,618</u>	<u>82,932</u>	<u>76,371</u>	<u>215,921</u>
At 31 March 2010	<u>9,353</u>	<u>116,489</u>	<u>93,465</u>	<u>219,307</u>

Included within the total net book value of tangible fixed assets is £14,591 (2010 £19,431) in respect of assets held under finance leases and similar hire purchase contracts. The depreciation charge for the year on these assets was £4,840 (2010 £4,840).

TANGIBLE FIXED ASSETS
Company

	Fixtures & fittings £	Office equipment £	Computer software £	Total £
COST				
At 1 April 2010	76,936	171,150	264,627	512,713
Additions	<u>40,601</u>	<u>21,616</u>	<u>68,790</u>	<u>131,007</u>
At 31 March 2011	<u>117,537</u>	<u>192,766</u>	<u>333,417</u>	<u>643,720</u>
DEPRECIATION				
At 1 April 2010	70,642	135,043	171,162	376,847
Charge for the year	<u>7,279</u>	<u>32,322</u>	<u>85,884</u>	<u>125,485</u>
At 31 March 2011	<u>77,921</u>	<u>167,365</u>	<u>257,046</u>	<u>502,332</u>
NET BOOK VALUE				
At 31 March 2011	<u>39,616</u>	<u>25,401</u>	<u>76,371</u>	<u>141,388</u>
At 31 March 2010	<u>6,294</u>	<u>36,107</u>	<u>93,465</u>	<u>135,866</u>

PAUL MASON CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2011

10 FIXED ASSET INVESTMENTS

Company	Shares in group undertakings £
COST	
At 1 April 2010 and 31 March 2011	<u>1,258</u>
NET BOOK VALUE	
At 1 April 2010 and 31 March 2011	<u>1,258</u>

Subsidiary undertakings	Country of incorporation	Holding	Proportion of Voting rights and shares held
Paul Mason Consulting (India) Pvt Ltd	India	Ordinary shares	100%
The principal activity of Paul Mason Consulting (India) Pvt Ltd is that of business management consultancy			

11 STOCKS

	Group		Company	
	2011 £	2010 £	2011 £	2010 £
Work in progress	<u>123,010</u>	<u>50,357</u>	<u>221,452</u>	<u>50,357</u>

Unrealised profit in respect of intercompany staff recharges treated as development costs has been eliminated on consolidation

12 DEBTORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2011 £	2010 £	2011 £	2010 £
Trade debtors	1,387,709	990,445	1,387,709	990,445
Other debtors	66,209	35,535	3,844	2,544
Amounts owed by group undertakings	-	-	246,010	193,151
Prepayments and accrued income	<u>150,811</u>	<u>149,436</u>	<u>149,377</u>	<u>147,273</u>
	<u>1,604,729</u>	<u>1,175,416</u>	<u>1,786,940</u>	<u>1,333,413</u>

PAUL MASON CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2011

13 CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Trade creditors	344,584	291,455	340,497	284,774
Corporation tax	27,010	173,090	27,010	173,090
Social security and other taxes	388,078	142,095	388,078	142,095
Other creditors	29,570	23,773	14,273	11,452
Hire purchase	4,796	3,184	-	-
Accruals and deferred income	<u>464,760</u>	<u>354,376</u>	<u>464,760</u>	<u>365,940</u>
	<u>1,258,798</u>	<u>987,973</u>	<u>1,234,618</u>	<u>968,351</u>

14 CREDITORS— AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Hire purchase	<u>-</u>	<u>13,432</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>13,432</u>	<u>-</u>	<u>-</u>

15 PROVISIONS FOR LIABILITIES

Group	Deferred tax provision £
At 1 April 2010	-
Deferred tax provision charged to the profit and loss account	<u>5,064</u>
At 31 March 2011	<u>5,064</u>
Company	Deferred tax provision £
At 1 April 2010	-
Deferred tax provision charged to the profit and loss account	<u>5,064</u>
At 31 March 2011	<u>5,064</u>

PAUL MASON CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2011

16 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal Value	2011 £	2010 £
225,000	Ordinary A shares	1 pence	2,250	2,250
88,353	Ordinary B shares	1 pence	884	884
15,579	Ordinary C shares	1 pence	<u>156</u>	<u>156</u>
			<u>3,290</u>	<u>3,290</u>

17 RESERVES

	Profit and loss account £	Share premium reserve £	Total £
Group			
At 1 April 2010	700,589	249,726	950,315
Profit for the year	9,932	-	9,932
Exchange differences on retranslation	(23,937)	-	(23,937)
Dividends	<u>(145,000)</u>	<u>-</u>	<u>(145,000)</u>
At 31 March 2011	<u>541,584</u>	<u>249,726</u>	<u>791,310</u>
Company			
At 1 April 2010	742,761	249,726	992,487
Profit for the year	143,654	-	143,654
Dividends	<u>(145,000)</u>	<u>-</u>	<u>(145,000)</u>
At 31 March 2011	<u>741,415</u>	<u>249,726</u>	<u>991,141</u>

PAUL MASON CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2011

18 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Group		
Profit for the financial year	9,932	441,384
Other recognised gains and losses relating to the year	(23,937)	6,267
Dividends	<u>(145,000)</u>	<u>(185,000)</u>
Net increase/(reduction) of shareholders' funds	(159,005)	262,651
Opening shareholders' funds	<u>953,605</u>	<u>690,954</u>
Closing shareholders' funds	<u>794,600</u>	<u>953,605</u>
Company		
Profit for the financial year	143,654	443,916
Dividends	<u>(145,000)</u>	<u>(185,000)</u>
Net (reduction)/addition to shareholders' funds	(1,346)	258,916
Opening shareholders' funds	<u>995,777</u>	<u>736,861</u>
Closing shareholders' funds	<u>994,431</u>	<u>995,777</u>

19 OPERATING LEASE COMMITMENTS

Group

As at 31 March 2011 the Group had annual commitments under non-cancellable operating leases as follows

	2011 £	2010 £
Operating leases which expire		
Within one year	13,200	13,200
Within two and five years	-	61,970
Over five years	<u>61,970</u>	<u>-</u>
	<u>75,170</u>	<u>75,170</u>

Company

As at 31 March 2011 the Company had annual commitments under non-cancellable operating leases as follows

	2011 £	2010 £
Operating leases which expire		
Within one year	13,200	13,200
Within two and five years	-	61,970
Over five years	<u>61,970</u>	<u>-</u>
	<u>75,170</u>	<u>75,170</u>

PAUL MASON CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2011**20 RELATED PARTY DISCLOSURES****Controlling entity**

The Group is controlled by Paul Mason by virtue of his shareholding

Related party transactions

Dividends were paid to officers of the Group as follows

	2011 £	2010 £
I Mason	66,120	84,361
P Mason	59,063	75,356
G Ambidge	4,829	6,161
N Gilna	12,088	15,422
H Thomas	<u>2,900</u>	<u>3,700</u>
	<u>145,000</u>	<u>185,000</u>