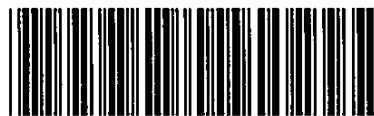


REGISTERED NUMBER 04144304

PAUL MASON CONSULTING LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2012

TUESDAY



A1KMVL28

A05

30/10/2012

#173

COMPANIES HOUSE

PAUL MASON CONSULTING LIMITED
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

	Page
Company Information	1
Report of the Directors	2-3
Report of the Independent Auditors	4-5
Consolidated Profit and Loss Account	6
Company Profit and Loss Account	7
Statement of Total Recognised Gains and Losses	8
Consolidated Balance Sheet	9
Company Balance Sheet	10
Consolidated Cash Flow Statement	11
Notes to the Consolidated Cash Flow Statement	12-13
Notes to the Financial Statements	14-25

PAUL MASON CONSULTING LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2012

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 2012**

The Directors presents their report together with the financial statements of the Company and the Group for the year ended 31 March 2012

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

The results for the year and financial position of the Company and the Group are as shown in the annexed financial statements. The Board has resolved that EBITDA is the primary measure of performance. A robust sales pipeline enabled Group revenues to grow by 20% despite the impact of the prevailing challenges in the economic environment significantly affecting PMC's retail and hospitality customer base. Robust cost control and improved productivity enabled Group EBITDA to grow by 132%. Productivity improvements were achieved by realising benefits from investments in middle management, staff training and tools. The Company's activities in India were expanded during the year and the basis of inter-company accounting was moved to cost plus.

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 £6,120. Individual donations were

	£
Adoption UK	5,000
Other donations	<u>1,120</u>

RESULTS AND DIVIDENDS

The profit for the year, after taxation amounted to £250,628 (2011: £9,932). An interim ordinary dividend of £120,000 was paid during the year.

IMPACT OF THE EURO

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

**PAUL MASON CONSULTING LIMITED
REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2012**

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

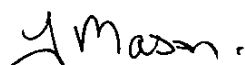
- select suitable accounting policies and apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 25 October 2012 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 2012 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 2012 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

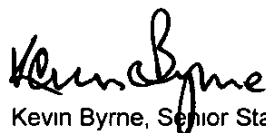
In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**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 *26 October 2012*

PAUL MASON CONSULTING LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 £	2011 £
TURNOVER	2	6,580,346	5,478,371
Cost of sales		<u>(3,945,875)</u>	<u>(3,002,109)</u>
GROSS PROFIT		2,634,471	2,476,262
Administrative expenses		<u>(2,101,816)</u>	<u>(2,247,275)</u>
		532,655	228,987
Other operating income		<u>48</u>	<u>217</u>
OPERATING PROFIT	3	532,703	229,204
Earnings before Interest Tax Depreciation and Amortisation		532,703	229,204
Depreciation and amortisation		(165,468)	(185,202)
Other exceptional items	4	(60,244)	-
Interest receivable and similar income		33	22
Interest payable and similar charges		<u>(64)</u>	<u>(2,018)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		306,960	42,006
Tax on profit on ordinary activities	7	<u>(56,332)</u>	<u>(32,074)</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>250,628</u>	<u>9,932</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 2012

	2012 £	2011 £
Turnover	6,580,346	5,478,371
Cost of sales	<u>(4,165,581)</u>	<u>(3,443,050)</u>
Gross profit	2,414,765	2,035,321
Administrative expenses		
Employment costs	1,257,258	1,167,136
Establishment costs	305,413	246,566
General administrative expenses	314,632	274,774
Finance charges	<u>9,315</u>	<u>7,435</u>
	<u>(1,886,618)</u>	<u>(1,695,911)</u>
Operating profit	528,147	339,410
Earnings before Interest Tax Depreciation and Amortisation	528,147	339,410
Depreciation and Amortisation	(141,592)	(163,703)
Other exceptional items	(163,086)	-
Other interest receivable and similar income	33	21
Interest payable and similar charges	<u>(64)</u>	<u>-</u>
Profit on ordinary activities before taxation	223,438	175,728
Taxation	<u>(56,333)</u>	<u>(32,074)</u>
Profit for the financial year	167,105	143,654
Accumulated profit and loss account brought forward	<u>741,415</u>	<u>742,761</u>
	908,520	886,415
Dividends	<u>(120,000)</u>	<u>(145,000)</u>
Accumulated profit and loss account carried forward	<u><u>788,520</u></u>	<u><u>741,415</u></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 2012

	2012 £	2011 £
PROFIT FOR THE FINANCIAL YEAR	250,628	9,932
Exchange differences on retranslation	<u>12,799</u>	<u>(23,937)</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>263,427</u>	<u>(14,005)</u>

The notes form part of these financial statements

PAUL MASON CONSULTING LIMITED
CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2012

	Notes	£	2012 £	£	2011 £
FIXED ASSETS					
Intangible assets	9		29,479		72,216
Tangible assets	10		<u>232,696</u>		<u>215,921</u>
			262,175		288,137
CURRENT ASSETS					
Stocks	12	72,856		123,010	
Debtors	13	1,762,463		1,604,729	
Cash at bank		<u>333,840</u>		<u>42,586</u>	
		2,169,159		1,770,325	
CREDITORS					
Amounts falling due within one year	14	<u>(1,473,764)</u>		<u>(1,258,798)</u>	
NET CURRENT ASSETS			<u>695,395</u>		<u>511,527</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			957,570		799,664
CREDITORS					
Amounts falling due after more than one year	15		(1,916)		-
PROVISIONS FOR LIABILITIES	16		<u>(17,627)</u>		<u>(5,064)</u>
NET ASSETS			<u>938,027</u>		<u>794,600</u>
CAPITAL AND RESERVES					
Called up share capital	17		3,290		3,290
Share premium reserve	18		249,726		249,726
Profit and loss account	18		<u>685,011</u>		<u>541,584</u>
SHAREHOLDERS' FUNDS	19		<u>938,027</u>		<u>794,600</u>

The financial statements were approved and authorised for issue by the board of Directors on 25/10/12 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 2012

	Notes	£	2012 £	£	2011 £
FIXED ASSETS					
Intangible assets	9		21,735		63,733
Tangible assets	10		165,325		141,388
Investments	11		<u>56,258</u>		<u>1,258</u>
			243,318		206,379
CURRENT ASSETS					
Stocks	12	72,856		221,452	
Debtors	13	1,867,237		1,786,940	
Cash at bank		<u>326,943</u>		<u>19,342</u>	
		2,267,036		2,027,734	
CREDITORS					
Amounts falling due within one year	14	<u>(1,451,191)</u>		<u>(1,234,618)</u>	
NET CURRENT ASSETS			<u>815,845</u>		<u>793,116</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,059,163		999,495
PROVISIONS FOR LIABILITIES	16		<u>(17,627)</u>		<u>(5,064)</u>
NET ASSETS			<u>1,041,536</u>		<u>994,431</u>
CAPITAL AND RESERVES					
Called up share capital	17		3,290		3,290
Share premium reserve	18		249,726		249,726
Profit and loss account	18		<u>788,520</u>		<u>741,415</u>
SHAREHOLDERS' FUNDS	19		<u>1,041,536</u>		<u>994,431</u>

The financial statements were approved and authorised for issue by the board of Directors on 25/10/12 and were signed by



Paul Mason
Director

The notes form part of these financial statements

PAUL MASON CONSULTING LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012

	Notes	£	2012 £	£	2011 £
Net cash (outflow)/inflow from operating activities	1		752,345		125,185
Returns on investments and servicing of finance	2		(31)		(1,996)
Taxation			(27,010)		(173,090)
Capital expenditure	2		<u>(312,498)</u>		<u>(152,669)</u>
			412,806		(202,570)
Equity dividends paid			<u>(120,000)</u>		<u>(145,000)</u>
Increase/(decrease) in cash in the period			<u>292,806</u>		<u>(347,570)</u>
Reconciliation of net cash flow to movement in net debt	3				
Increase/(decrease) in cash in the period		291,254		(359,390)	
Cash outflow from increase in debt and lease financing		<u>1,552</u>		<u>11,820</u>	
Change in net debt resulting from cash flows			<u>292,806</u>		<u>(347,570)</u>
Movement in net debt in the period			292,806		(347,570)
Net funds/(debt) at 1 April			<u>37,790</u>		<u>385,360</u>
Net funds at 31 March			<u>330,596</u>		<u>37,790</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 2012

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES

	2012	2011
	£	£
Operating profit	367,235	44,002
Depreciation charges	282,645	147,787
Amortisation of development costs	45,909	36,915
Loss on disposal of tangible fixed assets	2,881	1,442
Exchange difference	19,601	(18,288)
Development cost impairment charge	(60,244)	-
Decrease/(increase) in work in progress	50,154	(72,653)
(Increase)/decrease in debtors	(157,734)	(429,313)
Increase/(decrease) in creditors	<u>201,898</u>	<u>415,293</u>
	<u><u>752,345</u></u>	<u><u>125,185</u></u>

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

	2012	2011
	£	£
Returns on investments and servicing of finance		
Interest received	33	22
Interest paid	<u>(64)</u>	<u>(2,018)</u>
Net cash outflow for returns on investments and servicing of finance	<u><u>(31)</u></u>	<u><u>(1,996)</u></u>
Capital expenditure		
Purchase of tangible fixed assets	(309,651)	(159,389)
Purchase of intangible fixed assets	(3,353)	(1,556)
Sale of tangible fixed assets	<u>506</u>	<u>8,276</u>
Net cash outflow for capital expenditure	<u><u>(312,498)</u></u>	<u><u>(152,669)</u></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 2012

3 ANALYSIS OF CHANGES IN NET DEBT

	At 01/04/11 £	Cash flow £	At 31/03/12 £
Net cash			
Cash at bank	<u>42,586</u>	<u>291,254</u>	<u>333,840</u>
	<u>42,586</u>	<u>291,254</u>	<u>333,840</u>
Debt			
Debts falling due within one year	(4,796)	3,468	(1,328)
Debts falling due after one year	<u>-</u>	<u>(1,916)</u>	<u>(1,916)</u>
	<u>(4,796)</u>	<u>1,552</u>	<u>(3,244)</u>
Total	<u>37,790</u>	<u>292,806</u>	<u>330,596</u>

The notes form part of these financial statements

PAUL MASON CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**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 2012**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:

	2012 £	2011 £
United Kingdom	<u>6,580,346</u>	<u>5,478,371</u>

PAUL MASON CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2012**3 OPERATING PROFIT**

The operating profit is stated after charging/(crediting)

	2012 £	2011 £
Loss on sale of fixed assets	2,881	1,442
Operating leases	115,062	84,945
Depreciation – owned assets	282,645	148,224
Amortisation of intangible assets	45,909	41,528
Auditors' remuneration – audit services	6,000	6,471
Auditors' remuneration – the audit of the Company's subsidiary	590	702
Auditors' remuneration – non audit services	1,363	2,300
Auditors' remuneration – non audit services of the Company's subsidiary	2,833	-
Foreign exchange differences	<u>46,161</u>	<u>23,937</u>

4 EXCEPTIONAL ITEMS

	2012 £	2011 £
Development cost impairment charge	<u>60,244</u>	<u>-</u>

5 STAFF COSTS

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

	2012	2011
Technical	100	91
Administration	<u>22</u>	<u>21</u>
	<u>122</u>	<u>112</u>

The aggregate payroll costs of these persons were as follows

	2012 £	2011 £
Wages and salaries	3,436,350	3,355,295
Other pension costs	<u>211,881</u>	<u>182,127</u>
	<u>3,648,231</u>	<u>3,537,422</u>

PAUL MASON CONSULTING LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2012

6 DIRECTORS' REMUNERATION

The Directors' remuneration for the year is as follows

	2012 £	2011 £
Directors' remuneration (including benefits in kind)	350,427	355,661
Directors' money purchase scheme	<u>31,298</u>	<u>29,313</u>
	<u>381,725</u>	<u>384,974</u>

Included within the above analysis were payments of £26,800 (2011 £23,200) to Directors in respect of consultancy

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

	2012 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 £164,688 (2011 - £164,267) and Company pension contributions of £16,578 (2011 - £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 2012

7 TAXATION

Analysis of current period tax charge

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

	2012 £	2011 £
Current tax		
UK corporation tax	43,769	27,010
Deferred tax	<u>12,563</u>	<u>5,064</u>
Tax on profit on ordinary activities	<u>56,332</u>	<u>32,074</u>

Factors affecting current period tax charge

The tax assessed for the year is higher than (2011 – higher than) the standard rate of corporation tax in the UK of 26.00% (2011 – 21.00%). The difference is explained below

Profit on ordinary activities before tax	<u>306,960</u>	<u>42,006</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26% (2011: 21%)	79,810	8,821
Effects of		
Expenses not deductible for tax purposes	6,275	957
Depreciation in excess of capital allowances	(12,563)	(6,530)
Marginal relief	(8,261)	-
R&D allowance	-	(4,319)
Adjustments in respect of previous years	223	-
Translation differences arising on elimination of intercompany transactions	-	-
Other differences arising on elimination of intercompany transactions	(25,595)	19,717
Indian subsidiary loss for the year	<u>3,880</u>	<u>8,364</u>
Current tax charge	<u>43,769</u>	<u>27,010</u>

8 DIVIDENDS

	2012 £	2011 £
Equity dividends	<u>120,000</u>	<u>145,000</u>

PAUL MASON CONSULTING LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2012

9 INTANGIBLE FIXED ASSETS

Group	Development costs
	£
COST	
At 1 April 2011	248,876
Additions	3,353
Exchange differences	<u>(1,083)</u>
At 31 March 2012	<u>251,146</u>
AMORTISATION	
At 1 April 2011	176,660
Amortisation for year	45,662
Exchange differences	<u>(655)</u>
At 31 March 2012	<u>221,667</u>
NET BOOK VALUE	
At 31 March 2012	<u>29,479</u>
At 31 March 2011	<u>72,216</u>

INTANGIBLE FIXED ASSETS

Company	Development costs
	£
COST	
At 1 April 2011 and 31 March 2012	<u>238,914</u>
AMORTISATION	
At 1 April 2011	175,181
Amortisation for year	<u>41,998</u>
At 31 March 2012	<u>217,179</u>
NET BOOK VALUE	
At 31 March 2012	<u>21,735</u>
At 31 March 2011	<u>63,733</u>

PAUL MASON CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 201210 TANGIBLE FIXED ASSETS
Group

	Fixtures & fittings £	Office equipment £	Computer software £	Motor vehicles £	Total £
COST					
At 1 April 2011	196,860	199,402	359,601	9,505	765,368
Additions	51,149	43,284	215,218	-	309,651
Disposals	(8,318)	-	(59,032)	-	(67,350)
Exchange differences	<u>(8,624)</u>	<u>(721)</u>	<u>(2,847)</u>	<u>(1,033)</u>	<u>(13,225)</u>
At 31 March 2012	<u>231,067</u>	<u>241,965</u>	<u>512,940</u>	<u>8,472</u>	<u>994,444</u>
DEPRECIATION					
At 1 April 2011	106,207	168,866	270,389	3,985	549,447
Eliminated on disposals	(5,179)	-	(58,784)	-	(63,963)
Charge for the year	26,740	39,024	214,348	1,274	281,386
Exchange differences	<u>(3,075)</u>	<u>(163)</u>	<u>(1,451)</u>	<u>(433)</u>	<u>(5,122)</u>
At 31 March 2012	<u>124,693</u>	<u>207,727</u>	<u>424,502</u>	<u>4,826</u>	<u>761,748</u>
NET BOOK VALUE					
At 31 March 2012	<u>106,374</u>	<u>34,238</u>	<u>88,438</u>	<u>3,646</u>	<u>232,696</u>
At 31 March 2011	<u>90,653</u>	<u>30,536</u>	<u>89,212</u>	<u>5,520</u>	<u>215,921</u>

Included within the total net book value of tangible fixed assets is £3,646 (2011 £5,520) in respect of assets held under finance leases and similar hire purchase contracts. The depreciation charge for the year on these assets was £ 1,274 (2011 £1,928).

TANGIBLE FIXED ASSETS
Company

	Fixtures & fittings £	Office equipment £	Computer software £	Total £
COST				
At 1 April 2011	117,537	192,766	333,417	643,720
Additions	34,900	42,672	209,045	286,617
Disposals	<u>(2,594)</u>	<u>-</u>	<u>(58,740)</u>	<u>(61,334)</u>
At 31 March 2012	<u>149,843</u>	<u>235,438</u>	<u>483,722</u>	<u>869,003</u>
DEPRECIATION				
At 1 April 2011	77,921	167,365	257,046	502,332
Eliminated on disposals	(2,594)	-	(58,740)	(61,334)
Charge for the year	<u>16,034</u>	<u>38,338</u>	<u>208,308</u>	<u>262,680</u>
At 31 March 2012	<u>91,361</u>	<u>205,703</u>	<u>406,614</u>	<u>703,678</u>
NET BOOK VALUE				
At 31 March 2012	<u>58,482</u>	<u>29,735</u>	<u>77,108</u>	<u>165,325</u>
At 31 March 2011	<u>39,616</u>	<u>25,402</u>	<u>76,370</u>	<u>141,388</u>

PAUL MASON CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2012

11 FIXED ASSET INVESTMENTS

Company	Shares in group undertakings £
COST	1,258
At 1 April 2011	55,000
Additions	
NET BOOK VALUE	56,258
At 1 April 2011 and 31 March 2012	

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			

12 STOCKS

	Group		Company	
	2012 £	2011 £	2012 £	2011 £
Work in progress	<u>72,856</u>	<u>123,010</u>	<u>72,856</u>	<u>221,452</u>

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

13 DEBTORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2012 £	2011 £	2012 £	2011 £
Trade debtors	1,303,709	1,387,709	1,303,707	1,387,709
Other debtors	62,313	66,209	5,170	3,844
Amounts owed by group undertakings	-	-	166,786	246,010
Prepayments and accrued income	<u>396,441</u>	<u>150,811</u>	<u>391,574</u>	<u>149,377</u>
	<u>1,762,463</u>	<u>1,604,729</u>	<u>1,867,237</u>	<u>1,786,940</u>

PAUL MASON CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2012

14 CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Trade creditors	388,057	344,584	382,191	340,497
Corporation tax	43,546	27,010	43,547	27,010
Social security and other taxes	406,659	388,078	404,274	388,078
Other creditors	51,511	29,570	46,474	14,273
Hire purchase	1,328	4,796	-	-
Directors' current accounts	70,300	-	70,300	-
Accruals and deferred income	<u>512,363</u>	<u>464,760</u>	<u>504,405</u>	<u>464,760</u>
	<u>1,473,764</u>	<u>1,258,798</u>	<u>1,451,191</u>	<u>1,234,618</u>

15 CREDITORS— AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Hire purchase	<u>1,916</u>	-	-	-
	<u>1,916</u>	-	-	-

16 PROVISIONS FOR LIABILITIES

Group	Deferred tax provision £
At 1 April 2011	5,064
Deferred tax provision charged to the profit and loss account	<u>12,563</u>
At 31 March 2012	<u>17,627</u>

Company	Deferred tax provision £
At 1 April 2011	5,064
Deferred tax provision charged to the profit and loss account	<u>12,563</u>
At 31 March 2012	<u>17,627</u>

PAUL MASON CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2012

17 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal Value	2012 £	2011 £
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>

18 RESERVES

	Profit and loss account £	Share premium reserve £	Total £
Group			
At 1 April 2011	541,584	249,726	791,310
Profit for the year	250,628	-	250,628
Exchange differences on retranslation	12,799	-	12,799
Dividends	<u>(120,000)</u>	<u>-</u>	<u>(120,000)</u>
At 31 March 2012	<u>685,011</u>	<u>249,726</u>	<u>934,737</u>
Company			
At 1 April 2011	741,415	249,726	991,141
Profit for the year	167,105	-	167,105
Dividends	<u>(120,000)</u>	<u>-</u>	<u>(120,000)</u>
At 31 March 2012	<u>788,520</u>	<u>249,726</u>	<u>1,038,246</u>

PAUL MASON CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2012

19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2012 £	2011 £
Group		
Profit for the financial year	250,628	9,932
Other recognised gains and losses relating to the year	12,799	(23,937)
Dividends	<u>(120,000)</u>	<u>(145,000)</u>
Net increase/(reduction) of shareholders' funds	143,427	(159,005)
Opening shareholders' funds	<u>794,600</u>	<u>953,605</u>
Closing shareholders' funds	<u>938,027</u>	<u>794,600</u>
Company		
Profit for the financial year	167,105	143,654
Dividends	<u>(120,000)</u>	<u>(145,000)</u>
Net (reduction)/addition to shareholders' funds	47,105	(1,346)
Opening shareholders' funds	<u>994,431</u>	<u>995,777</u>
Closing shareholders' funds	<u>1,041,536</u>	<u>994,431</u>

20 OPERATING LEASE COMMITMENTS

Group

As at 31 March 2012 the Group had annual commitments under non-cancellable operating leases as follows

Land and buildings

Operating leases which expire	2012 £	2011 £
Within one year	27,805	13,200
Within two and five years	89,494	-
Over five years	<u>-</u>	<u>61,970</u>
	<u>117,299</u>	<u>75,170</u>

PAUL MASON CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2012**20 OPERATING LEASE COMMITMENTS (continued)****Company**

As at 31 March 2012 the Company had annual commitments under non-cancellable operating leases as follows

Land and buildings

Operating leases which expire	2012 £	2011 £
Within one year	27,805	13,200
Within two and five years	89,494	-
Over five years	-	61,970
	<u>117,299</u>	<u>75,170</u>

21 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

	2012 £	2011 £
I Mason	54,720	66,120
P Mason	48,880	59,063
G Ambidge	3,996	4,829
N Gilna	10,004	12,088
H Thomas	<u>2,400</u>	<u>2,900</u>
	<u>120,000</u>	<u>145,000</u>