

**Company Registration No. 05908164**

**Vanco Net Direct Limited**

**Report and Financial Statements**

**For the year ended 31 March 2013**



**REPORT AND FINANCIAL STATEMENTS 2013**

<b>CONTENTS</b>	<b>Page</b>
<b>Officers and professional advisers</b>	<b>1</b>
<b>Directors' report and statement of directors' responsibilities</b>	<b>2 to 3</b>
<b>Profit and loss account</b>	<b>4</b>
<b>Balance sheet</b>	<b>5</b>
<b>Cash Flow Statement</b>	<b>6</b>
<b>Notes to the accounts</b>	<b>7 to 10</b>

**REPORT AND FINANCIAL STATEMENTS 2013**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

M P Sauer  
Pramod Garg (appointed on 26 February 2013)  
Anil Gadodia (resigned on 26 February 2013)

**REGSITERED OFFICE**

Units 1&2  
Great West Plaza  
Riverbank way  
Brentford  
Middlesex  
TW8 9RE

**SOLICITORS**

Charles Russell  
5 Fleet Place,  
London  
EC4M 7RD

**DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013**

The Directors present their annual report and the audited financial statements for year ended 31 March 2013

**PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS**

The principal activities of the company are the provision of managed network services and e-Security services

**BUSINESS REVIEW AND FUTURE DEVELOPMENTS**

The company is a subsidiary of Flag Web Limited. The company has taken advantage of s417(1) of the Companies Act 2006 that exempts small companies from preparing an enhanced business review. During the year company did not have any transactions.

**FINANCIAL RISK MANAGEMENT**

The company has no significant concentrations of credit risk. The company has policies in place to ensure that sales of services are made to clients with an appropriate credit history.

**RESULTS AND DIVIDENDS**

The results for the year are set out in detail on page 4. No dividend was paid or recommended during the year at the year end (2012 nil).

**DIRECTORS**

The directors, who served during the period and to the date of this report unless otherwise indicated, are as set out on page 1.

**QUALIFYING THIRD PARTY INDEMNITY**

A qualifying third party indemnity provision as defined in Section 234(2) of the Companies Act 2006 is in force for the benefit of each of the Directors in respect of liabilities incurred as a result of their office, to the extent permitted by law. In respect of those liabilities for which Directors may not be indemnified, the Company maintained a directors' and officers' liability insurance policy throughout the financial year.

**POLICY ON PAYMENT TO CREDITORS**

It is Group policy to agree and clearly communicate the terms and payment as part of the commercial arrangements negotiated with suppliers and then to pay according to those terms based upon the timely receipt of an accurate invoice.

**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 year. In preparing these financial statements, the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the directors are aware:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board of Directors  
and signed on behalf of the Board



Pramod Garg  
Director

20 December 2012

# Vanco Net Direct Limited

## Profit And Loss Account For the year ended 31 March 2013

		12 months Ended 31 March 2013	12 months Ended 31 March 2012
	Notes	£	£
<b>TURNOVER</b>	2	-	-
Cost of sales		-	-
<b>GROSS PROFIT (LOSS)</b>		-	-
Administrative expenses		-	-
<b>OPERATING PROFIT(LOSS)</b>		-	-
Other Income – Exceptional	4	-	625,531
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	5	-	625,531
Tax on profit on ordinary activities	6	-	-
<b>PROFIT(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION AND RETAINED PROFIT FOR THE YEAR</b>		-	625,531

All amounts relate to continuing operations

There are no other recognised gains or losses for the current and preceding period other than as stated in the profit and loss account and therefore no statement of total recognised gains and losses is presented

**BALANCE SHEET**  
As at 31 March 2013

	Note	2013 £	2012 £
<b>CURRENT ASSETS</b>			
Debtors		-	-
<b>CREDITORS: amounts falling due within one year</b>			
		-	-
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		-	-
<b>CAPITAL AND RESERVES</b>			
Called up share capital	7	1	1
Profit and loss account	8	(1)	(1)
<b>SHAREHOLDER'S FUNDS</b>			
	9	-	-

For the year ended 31 March 2013 the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective January 2007)

These financial statements on pages 4 to 10 were approved by the Board of Directors and authorised for issue on 20 December 2013

Signed on behalf of the Board of Directors



Pramod Garg  
Director

**CASH FLOW STATEMENT**  
**For the year ended 31 March 2013**

	<b>12 months ended 31 March 2013</b>	<b>12 months ended 31 March 2012</b>
<b>Operating Profit/(Loss)</b>	-	625,531
(Increase)/Decrease in Debtors	-	74,339
Increase/(Decrease) in creditors	-	(699,870)
<b>Net cash Flow from operating activities</b>	-	-
<b>CASH FLOW STATEMENT</b>		
<b>Net cash Flow from operating activities</b>	-	-
Capital Expenditure ( Additions to Investments)	-	-
<b>Increase (Decrease) in cash</b>	-	-
Reconciliation of Net cash flow to movement net debt		
Increase (Decrease) in cash	-	-
Net debts at 1 April 2012	-	-
<b>Net Funds at 31 March 2013</b>	-	-

**NOTES TO FINANCIAL STATEMENTS**

**For the year ended 31 March 2013**

**1. ACCOUNTING POLICIES**

These financial statements are prepared on the going concern basis, and under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards. The principal accounting policies are set out below.

**Turnover**

A network contract typically covers the design, supply and installation of the network and thereafter the provision of Packaged Network Solutions. Revenue relating to the initial part of the contract is determined by the value of the component elements represented by the equipment installed and the time expended on this element of the contract, unless the implementation stage value is defined in the contract and apportioned during the year based on the period of implementation falling in the current period. The remainder of the contract value covering the provisions of Packaged Network Solutions is recognised evenly over the period of the contract.

To the extent that the recognition of revenue differs from the contractual billing terms, revenue billed in advance or arrears are treated as deferred or accrued income respectively.

**Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is recognised in respect of timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

**Foreign exchange**

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

**2. TURNOVER**

Turnover represents amounts derived from the provision of services which fall within the Company's ordinary activities after deduction of trade discounts and value added tax. All of the turnover arise in the United Kingdom, are attributable to the provision of telecommunications services.

**3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

During the year the Company had no employees other than the directors.

**4. OTHER INCOME – EXCEPTIONAL**

During previous year other Income – Exceptional of £625,531 consists of the amount payable to Reliance Vanco Group Limited written back.

**NOTES TO FINANCIAL STATEMENTS**  
**For the year ended 31 March 2013**

**5. OPERATING PROFIT (LOSS)**

	12 months ended 31 March 2013 £	12 months ended 31 March 2012 £
Operating Profit is arrived at		
After charging:		
Foreign Exchange Gain/(Loss)	-	-

**6. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	12 months ended 31 March 2013	12 months ended 31 March 2012
United Kingdom corporation tax	-	-
Total current tax charge	-	-
Tax on profit on ordinary activities	-	-

**Factors affecting the tax credit for the current year**

The tax assessed for the current year is lower than the standard rate of corporation tax in the UK of 24% (2012 26%) The differences are explained below

	12 months ended 31 March 2013 £	12 months ended 31 March 2012 £
Profit (Loss) on ordinary activities before taxation	-	625,531
Tax at 24% (2012 - 26%) thereon	-	175,148
Effects of		
- Income not taxable	-	(175,148)
- losses carried forward <u>/(utilized)</u>	-	-
Total current tax	-	-

The tax assessed for the current year differs from that resulting from applying the standard rate

**NOTES TO FINANCIAL STATEMENTS**  
For the year ended 31 March 2013

**7 SHARE CAPITAL**

	12 months ended 31 March 2013 £	12 months ended 31 March 2012 £
<b>Authorised</b>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
	12 months ended 31 March 2013 £	12 months ended 31 March 2012 £
<b>Called up, allotted and fully paid</b>		
1 ordinary shares of £1 each	<u>1</u>	<u>1</u>

**8 EQUITY RESERVES**

	Profit and Loss account £
At 1 April 2012	(1)
Retained profit for the period	-
At 31 March 2013	<u>(1)</u>

**9. STATEMENT OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2013 £	2012 £
Retained profit/(loss) for the year	-	(625,531)
Opening shareholders' funds	-	(625,531)
Closing shareholders' funds	<u>-</u>	<u>-</u>

**NOTES TO FINANCIAL STATEMENTS**

**For the year ended 31 March 2013**

**10 ULTIMATE PARENT COMPANY AND CONTROLLING ENTITY**

The company's immediate parent is Flag Web Limited, a company incorporated in Bermuda

Flag Web Limited is not required to prepare the consolidated financial statement and hence results of the Vanco Net Direct Limited are not included in the financials of the Flag Web Limited

**11. RELATED PARTY TRANSACTIONS**

As permitted by FRS 8 "Related Party Disclosures", transactions between group companies have not been disclosed in these financial statements