

ANNUAL REPORT & FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2006

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Retail Systems Consultancy Limited

Officers & Professional Advisers

Director	A M Tutt
Secretary	Mrs A K Tutt
Registered Office	9 Appleby Avenue Scotton Gates Ripley Road Knaresborough HG5 9LZ
Registration Number	03196232
Accountants	Bulmer & Co Certified Accountants 2 Mount Parade Harrogate HG1 1BX
Bankers	National Westminster Bank plc 3 Cambridge Crescent Harrogate HG1 1PE

Retail Systems Consultancy Limited

Director's Report

The Director presents his report and financial statements for the year ended 5 April 2006.

1. Activities, Review of the Business and Future Development

The principal activity of the company is that of computer consultancy services, hardware sales and website design. Turnover and profitability have been satisfactory during the year and the director is confident that this level of activity will be maintained in the future.

2. Results, Dividends and Movements in Reserves

The results are shown in the Profit and Loss Account and supporting notes.

Dividends of £64,000 per share have been paid during the year.

Movements in reserves are shown in the notes to the financial statements.

3. Fixed Assets

Changes in fixed assets are summarised in the notes to the financial statements.

4. Directors and their Interests

The present composition of the Board is set out on page 2.

The director who held office during the year and his interests (including family interests) in the shares of the company are as set out below: -

	<u>£1 Ordinary Shares</u>	
	5.4.06	5.4.05
A M Tutt	60	60
Mrs A Tutt	40	40

Mr & Mrs Tutt have ultimate control by virtue of their shareholdings. No director has a material interest in any contract with the company. The director continues in office in accordance with the Articles of Association.

5. Statement of Director's Responsibilities in Respect of the Accounts

Company law requires the director to prepare Accounts for each financial year, which give a true and fair view of the state of affairs of the company and of the profit or loss for that year. In preparing those Accounts, the director is required to: -

Select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent; state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Accounts, and prepare the Accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Accounts comply with the Companies Act. 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.

Retail Systems Consultancy Limited

Director's Report

6. Close Company

In the opinion of the director, the company is a Close Company within the definition of the Income & Corporation Taxes Act 1988 (Section 414). The director considers that no liability will arise under the provisions of Section 423 of that Act. There has been no change in this respect since the end of the financial year.

7. Going Concern and Financial Reporting

The director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, he continues to adopt the going concern basis in preparing the financial statements.

8. Small Company

In preparing the above report the director has taken advantage of special exemptions applicable to small companies under the provisions of Sections 247-249 of the Companies Act 1985.

By Order of the Board



A K Tutt
Secretary

4 October 2006

Retail Systems Consultancy Limited

Accountant's Report to the Members

We have prepared the annexed financial statements for the year ended 5 April 2006 from the accounting records presented to us and the information and explanations given to us. We have reviewed the financial statements. The review consisted primarily of enquiry, comparison and discussion of the financial statements and of the information and explanations given to us. We have not carried out an audit.

Bulmer & Co
Certified Accountants



5 October 2006

Retail Systems Consultancy Limited

Profit and Loss Account		Year Ended 5 April 2006	
	Note	2006	2005
Turnover - Continuing Activities	4	196,747	101,712
Cost of Sales		22,775	7,200
Gross Profit		173,972	94,512
Operating Expenses	2	80,077	73,962
Operating Profit - Continuing Activities	3	93,895	20,550
Interest Payable	4	124	27
Interest Receivable		-	-
Profit on Ordinary Activities Before Taxation		93,771	20,523
Taxation	6	18,302	4,327
Profit on Ordinary Activities After Taxation		75,469	16,196
<u>Add PAYE Online Filing Rebate</u>		<u>250</u>	<u>-</u>
Profit/(Loss) Carried Forward		<u>75,719</u>	<u>16,196</u>

There were no acquisitions or discontinued operations in this or the preceding year.

There were no recognised gains or losses in 2006 or 2005 other than the profit for the year.

The accompanying accounting policies and notes form an integrated part of these financial statements.

Retail Systems Consultancy Limited

Balance Sheet

Year Ended 5 April 2006

	Note	2006	2005
Fixed Assets			
Tangible Assets	7	3,524	3,684
Current Assets			
Stock		-	1,748
Cash at Bank		11,142	-
Debtors	8	20,976	11,259
		<u>32,118</u>	<u>13,007</u>
Creditors: Amounts Falling Due Within Year	9a	22,851	15,414
		<u>22,851</u>	<u>15,414</u>
Net Current Assets/(Liabilities)		9,267	(2,407)
		<u>12,791</u>	<u>1,277</u>
Creditors: Amounts Falling Due After One Year	9b	-	-
		<u>12,791</u>	<u>1,277</u>
Provision for Liabilities & Charges	10	221	426
Total Assets Less Current Liabilities		<u>12,570</u>	<u>851</u>
Capital and Reserves			
Called up Share Capital	11	100	100
Profit and Loss Account	12	12,470	751
Equity Shareholders' Funds		<u>12,570</u>	<u>751</u>

The directors have taken advantage of special provisions conferred by Part VII of the Companies Act 1985 applicable to small companies.

The Company was entitled to exemption under S.249A(1) of the Companies Act 1985. No notice has been deposited under S.249B(2) and we acknowledge our responsibilities for ensuring that the Company keeps accounting records which comply with S.221, and preparing Accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year under S.226, and which otherwise comply with the requirements of the Companies Act 1985 relating to Accounts, so far as applicable to the Company.

Approved by the Board – 4 October 2006

A M Tutt - Director

The notes on pages 8 – 11 form part of these financial statements

Retail Systems Consultancy Limited

Notes to the Financial Statements

Year Ended 5 April 2006

1 Accounting Policies

a) Accounting Convention

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

b) Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

c) Tangible Fixed Assets & Depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases: -

Office Equipment	25% reducing balance
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d) Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

e) Stock

Stock is stated at the lower of cost and net realisable value. Stock comprises of goods for resale

2 Operating Expenses	2006	2005
Distribution Costs	6,317	7,002
Administration Expenses	73,760	66,960
	<u>80,077</u>	<u>73,962</u>

3 Operating Profit

The operating profit is stated after charging: -

Depreciation of Tangible Fixed Assets	1,174	1,228
Accountants' Remuneration	600	550
Staff Costs (5)	61,406	56,207
Operating Leases – Land & Building	-	1,164

4 Interest Payable

Bank Overdraft	<u>124</u>	<u>27</u>
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Retail Systems Consultancy Limited

Notes to the Financial Statements

Year Ended 5 April 2006

5 Directors & Employees	2006	2005
a) Average number of persons employed during the year including directors	<u>2</u>	<u>2</u>
Number of Directors	<u>1</u>	<u>1</u>
b) <i>Employment costs were as follows: -</i>		
Staff Costs	3,735	3,300
Social Security Costs	5,488	5,527
c) Director's remuneration for the year including pension costs	<u>52,183</u>	<u>47,380</u>
d) Estimated benefits in kind for the year	<u>50</u>	<u>2,188</u>
6 Taxation		
Current Year Taxation	18,507	4,027
Deferred Tax	(205)	-
Interest	-	300
	<u>18,302</u>	<u>4,327</u>
Tax Reconciliation	93,771	20,523
Profit on Ordinary Activities	183	448
Excess Depreciation Over Capital Allowances	3,450	226
Disallowable Expense	<u>97,404</u>	<u>21,197</u>
Profits Subject to Corporate Tax at 19% (2005 – 19%)	<u>18,507</u>	<u>4,027</u>

Retail Systems Consultancy Limited

Notes to the Financial Statements

Year Ended 5 April 2006

7 Tangible Assets

	Equipment	Total
Cost		
As at 6 April 2005	14,823	14,823
Additions	1,014	1,014
	<u> </u>	<u> </u>
At 5 April 2006	15,837	15,837
	<u> </u>	<u> </u>
Depreciation		
Depreciation at 6 April 2005	11,139	11,139
Charge for the Year	1,174	1,174
	<u> </u>	<u> </u>
At 5 April 2006	12,313	12,313
	<u> </u>	<u> </u>
Net Book Value		
At 5 April 2006	3,524	3,524
	<u> </u>	<u> </u>
At 5 April 2005	3,684	3,684
	<u> </u>	<u> </u>

8 Debtors

	2006	2005
Trade Debtors	20,976	8,284
Loan - Retail Systems Solutions Ltd	-	2,975
	<u> </u>	<u> </u>
	20,976	11,259
	<u> </u>	<u> </u>

9a Creditors: Amounts Falling Due Within One Year

Bank Overdraft	-	4,180
Director's Current Account	799	325
Corporation Tax	18,507	4,027
Creditors & Accruals	1,197	2,658
Other Taxation & Social Security Costs	2,348	4,224
	<u> </u>	<u> </u>
	22,851	15,414
	<u> </u>	<u> </u>

9b Creditors: Amounts Falling Due After One Year

Hire Purchase Accounts	-	-
	<u> </u>	<u> </u>

Retail Systems Consultancy Limited

Notes to the Financial Statements

Year Ended 5 April 2006

10 Provision for Liabilities & Charges	2006	2005
Deferred Taxation – Accelerated Capital Allowances	221	426
	<u> </u>	<u> </u>
Provision as at 6 April 2004	426	426
Charged at Profit & Loss Account	(205)	-
	<u> </u>	<u> </u>
As at 5 April 2005	221	426
	<u> </u>	<u> </u>
11 Called Up Share Capital		
Authorised		
1,000 Ordinary Shares of £1 Each	1,000	1,000
	<u> </u>	<u> </u>
Allotted, Issued & Fully Paid		
100 Ordinary Shares of £1 Each	100	100
	<u> </u>	<u> </u>
12 Reconciliation of Movements on Shareholder's Funds		
As at 6 April	751	8,555
Profit for the Year	75,719	16,196
Dividends Paid	(64,000)	(24,000)
	<u> </u>	<u> </u>
As at 5 April	12,470	751
	<u> </u>	<u> </u>
13 Related Party Transaction		

The director's current account was in credit at the year end by £799. Retail Systems Solutions Ltd, a company Mr Tutt is a shareholder of owed the company £2,975 at the year end. Since the year end the company has been dissolved so that this amount has been written off.