

2I SYSTEMS AND SERVICES LIMITED



Directors' Report And Financial Statements

For the year ended 31 December 2009

Company Registration No. 4382849 (England And Wales)

2I SYSTEMS AND SERVICES LIMITED

COMPANY INFORMATION

Directors

M Hook
M Atkinson
G Rowe
N D Rowe

Secretary

Temple Secretarial Limited

Company number

4382849

Registered office

16 Old Bailey
London
EC4M 7EG

Auditors

Kingston Smith LLP
Orbital House
20 Eastern Road
Romford
Essex
RM1 3PJ

2I SYSTEMS AND SERVICES LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 13

2I SYSTEMS AND SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

The directors present their report and financial statements for the year ended 31 December 2009

Principal activities

The principal activity of the company continued to be that of IT management and support services

Directors

The following directors have held office since 1 January 2009

M Hook
M Atkinson
G Rowe
N D Rowe

Auditors

The auditors, Kingston Smith LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006

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 then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- 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

2I SYSTEMS AND SERVICES LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



N D Rowe

Director

8 JUNE 2010

2I SYSTEMS AND SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 2I SYSTEMS AND SERVICES LIMITED

We have audited the financial statements of 2i Systems and Services Limited for the year ended 31 December 2009 set out on pages 5 to 13. 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 auditors' 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 pages 1 - 2, 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

2I SYSTEMS AND SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF 2I SYSTEMS AND SERVICES LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Brian Pope (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP

11 June 2010

Chartered Accountants
Statutory Auditor

Orbital House
20 Eastern Road
Romford
Essex
RM1 3PJ

2I SYSTEMS AND SERVICES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2009

		2009 £	2008 £
	Notes		
Turnover		473,094	603,150
Cost of sales		(334,545)	(424,281)
Gross profit		138,549	178,869
Administrative expenses		(66,676)	(83,620)
Operating profit	2	71,873	95,249
Other interest receivable and similar income	3	21	1,634
Profit on ordinary activities before taxation		71,894	96,883
Tax on profit on ordinary activities	4	(15,118)	(20,106)
Profit for the year	11	56,776	76,777

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

2I SYSTEMS AND SERVICES LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2009

	Notes	2009 £	£	2008 £	£
Fixed assets					
Investments	6		50		50
Current assets					
Debtors	7	192,939		201,415	
Cash at bank and in hand		310,722		185,548	
		<u>503,661</u>		<u>386,963</u>	
Creditors amounts falling due within one year	8	<u>(284,189)</u>		<u>(224,267)</u>	
Net current assets			219,472		162,696
Total assets less current liabilities			<u>219,522</u>		<u>162,746</u>
Capital and reserves					
Called up share capital	10		400		400
Profit and loss account	11		219,122		162,346
Shareholders' funds	12		<u>219,522</u>		<u>162,746</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006

Approved by the Board and authorised for issue on 6th JUNE 10



M Hook
Director

Company Registration No 4382849

2I SYSTEMS AND SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The company has taken advantage of the exemption in Financial Reporting Standard 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group and consolidated accounts are available

The company has taken advantage of the exemption within Financial Reporting Standard 8 not to disclose related party transactions with the parent company as it is a wholly owned subsidiary

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Computer equipment	33% straight line
--------------------	-------------------

1.5 Investments

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

1.6 Deferred taxation

In accordance with FRS 19, deferred tax is recognised as a liability or asset if transactions or events that give the company the obligation to pay more tax in future or a right to pay less tax in future have occurred by the balance sheet date

1.7 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account

2 Operating profit

	2009	2008
	£	£
Operating profit is stated after charging		
Auditors' remuneration	4,950	2,750
and after crediting		
Profit on foreign exchange transactions	(203)	(11,958)

2I SYSTEMS AND SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

3	Investment income	2009	2008
		£	£
	Bank interest	-	1,634
	Other interest	21	-
		<u>21</u>	<u>1,634</u>
		<u>21</u>	<u>1,634</u>
4	Taxation	2009	2008
		£	£
	Domestic current year tax		
	U K corporation tax	14,511	19,470
		<u>14,511</u>	<u>19,470</u>
	Current tax charge	14,511	19,470
	Deferred tax		
	Deferred tax charge current year	607	636
		<u>607</u>	<u>636</u>
		<u>15,118</u>	<u>20,106</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	71,894	96,883
		<u>71,894</u>	<u>96,883</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21 00% (2008 - 21 00%)	15,098	20,345
		<u>15,098</u>	<u>20,345</u>
	Effects of		
	Non deductible expenses	21	177
	Capital allowances	(608)	(819)
	Other tax adjustments	-	(233)
		<u>(587)</u>	<u>(875)</u>
	Current tax charge	14,511	19,470
		<u>14,511</u>	<u>19,470</u>

2I SYSTEMS AND SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

5 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 January 2009 & at 31 December 2009	12,381
Depreciation	
At 1 January 2009 & at 31 December 2009	12,381
Net book value	
At 31 December 2009	-
At 31 December 2008	-

2I SYSTEMS AND SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

6 Fixed asset investments

	Shares in group undertakings and participating interests £
Cost	
At 1 January 2009 & at 31 December 2009	50
Net book value	
At 31 December 2009	50
At 31 December 2008	50

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
2Can Services Limited	England & Wales	Ordinary	50 00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

		Capital and reserves 2009 £	Profit/(loss) for the year 2009 £
	Principal activity		
2Can Services Limited	IT support and services	867	(28,486)

2I SYSTEMS AND SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

7 Debtors	2009	2008
	£	£
Trade debtors	89,165	151,132
Amounts owed by group undertakings and undertakings in which the company has a participating interest	17,844	26,189
Other debtors	83,501	21,058
Deferred tax asset (see note 9)	2,429	3,036
	<u>192,939</u>	<u>201,415</u>

8 Creditors amounts falling due within one year	2009	2008
	£	£
Trade creditors	4,759	24,493
Amounts owed to group undertakings and undertakings in which the company has a participating interest	245,804	146,444
Taxation and social security	24,114	44,130
Other creditors	9,512	9,200
	<u>284,189</u>	<u>224,267</u>

9 Provisions for liabilities

The deferred tax asset (included in debtors, note 7) is made up as follows

	2009	
	£	
Balance at 1 January 2009	(3,036)	
Profit and loss account	607	
	<u>(2,429)</u>	
Balance at 31 December 2009	<u>(2,429)</u>	
	2009	2008
	£	£
Decelerated capital allowances	<u>(2,429)</u>	<u>(3,036)</u>

2I SYSTEMS AND SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

10 Share capital	2009	2008
	£	£
Authorised		
1,000 Ordinary of £1 each	1,000	1,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
400 Ordinary of £1 each	400	400
	<u> </u>	<u> </u>

11 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2009	162,346
Profit for the year	56,776
	<u> </u>
Balance at 31 December 2009	219,122
	<u> </u>

12 Reconciliation of movements in shareholders' funds	2009	2008
	£	£
Profit for the financial year	56,776	76,777
Opening shareholders' funds	162,746	85,969
	<u> </u>	<u> </u>
Closing shareholders' funds	219,522	162,746
	<u> </u>	<u> </u>

13 Control

Line Management Group Limited is considered the immediate and ultimate controlling party of the company due to its 100% share holding

N D Rowe is considered the Ultimate Controlling Party due to his 85% holding in the total issued ordinary Share Capital of the ultimate parent company

The company is a wholly owned subsidiary of Line Management Group Limited (the ultimate parent undertaking), a company registered in England and Wales, that prepares group accounts, copies of which can be obtained from Unit 6, Dolphin Point, Dolphin Way, West Thurrock, Essex

2I SYSTEMS AND SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

14 Related party transactions

At the balance sheet date the company was owed £17,844 (2008 £26,189) from 2Can Services Limited, which is a joint venture arrangement. During the year the company provided consultancy services to 2Can Services Limited in respect of works carried out for clients at a cost to 2Can Services Limited of £40,856 (2008 £65,071).