

REGISTERED NUMBER: 05452086 (England and Wales)

**REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS FOR THE PERIOD 1 MAY 2009 TO 31 DECEMBER 2009
FOR
ACHILLES PROFESSIONAL SERVICES LIMITED**



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For The Period 1 May 2009 to 31 December 2009

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ACHILLES PROFESSIONAL SERVICES LIMITED

COMPANY INFORMATION

For The Period 1 May 2009 to 31 December 2009

DIRECTORS:

J Lockhart
Mrs J Emerson
D M Kerr
D K Boyce
D P Silvey

SECRETARY:

Mrs J Emerson

REGISTERED OFFICE:

1 Carnegie Road
Newbury
Berkshire
RG14 5DJ

REGISTERED NUMBER:

05452086 (England and Wales)

AUDITORS:

Banks & Co
Statutory Auditors
1 Carnegie Road
Newbury
Berkshire
RG14 5DJ

ACHILLES PROFESSIONAL SERVICES LIMITED (REGISTERED NUMBER: 05452086)

REPORT OF THE DIRECTORS

For The Period 1 May 2009 to 31 December 2009

The directors present their report with the financial statements of the company for the period 1 May 2009 to 31 December 2009

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of the provision of service and maintenance contracts for telephone and data systems to indirect partners

REVIEW OF BUSINESS

The Directors are pleased with the development of the company since the acquisition of Achilles Professional Services Limited by Proximity Communications Plc. It is expected that the levels of activity remain static in the short term although it is expected that the sales mix will change from a service based to a maintenance based business with more focus on the ability of Achilles Professional Services Limited to deliver additional Value Added Services

The deepening recession and predicted low economic growth levels for 2010/2011 will continue to affect sales and margin levels. Achilles Professional Services Limited will continue to review its Business, its offerings and its profit margin in order to protect its business and customer services levels and solutions offered wherever possible

DIVIDENDS

No dividends will be distributed for the period ended 31 December 2009

FUTURE DEVELOPMENTS

The company continues an active programme of research and development in all areas of its activities, with the constant review of existing services and development of new services being an integral part of this programme

DIRECTORS

The directors shown below have held office during the whole of the period from 1 May 2009 to the date of this report

J Lockhart
Mrs J Emerson
D M Kerr
D K Boyce
D P Silvey

Other changes in directors holding office are as follows

M Lloyd - resigned 13 October 2009

COMPANY'S POLICY ON PAYMENT OF CREDITORS

The company's policy, which is to settle terms of payment with suppliers when agreeing the terms of each transaction, ensure that the suppliers are made aware of the terms of the payment and abide by the terms of the payment. Trade creditors of the company at 31 December 2009 are as shown in note 7 in the Financial Statements and relate to 8 days purchases (30 04 2009 - 21 days) outstanding at the year end

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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

ACHILLES PROFESSIONAL SERVICES LIMITED (REGISTERED NUMBER: 05452086)

REPORT OF THE DIRECTORS

For The Period 1 May 2009 to 31 December 2009

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'D K Boyce', with a long horizontal line extending to the right.

D K Boyce - Director

29 June 2010

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF ACHILLES PROFESSIONAL SERVICES LIMITED

We have audited the financial statements of Achilles Professional Services Limited for the period ended 31 December 2009 on pages five to eleven. 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). The financial statements for the period ended 30 April 2009 have not been audited.

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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page two, 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 (APB's) Ethical Standards for Auditors, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in the circumstances set out in note twelve to the financial statements.

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 loss for the period 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.



Richard Mark Lodge Taylor FCCA (Senior Statutory Auditor)
for and on behalf of Banks & Co
Statutory Auditors
1 Carnegie Road
Newbury
Berkshire
RG14 5DJ

29 June 2010

ACHILLES PROFESSIONAL SERVICES LIMITED (REGISTERED NUMBER: 05452086)

PROFIT AND LOSS ACCOUNT

For The Period 1 May 2009 to 31 December 2009

	Notes	Period 1 5 09 to 31 12 09 £	Year ended 30 4 09 £
TURNOVER		577,023	736,155
Cost of sales		<u>595,288</u>	<u>666,031</u>
GROSS (LOSS)/PROFIT		(18,265)	70,124
Administrative expenses		<u>11,814</u>	<u>3,287</u>
OPERATING (LOSS)/PROFIT	3	(30,079)	66,837
Cost of fundamental reorganisation	4	<u>100,000</u>	-
		(130,079)	66,837
Interest receivable and similar income		<u>153</u>	<u>203</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(129,926)	67,040
Tax on (loss)/profit on ordinary activities	5	<u>14,151</u>	<u>8</u>
(LOSS)/PROFIT FOR THE FINANCIAL PERIOD AFTER TAXATION		<u>(144,077)</u>	<u>67,032</u>

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss for the current period and the profit for the previous year

ACHILLES PROFESSIONAL SERVICES LIMITED (REGISTERED NUMBER: 05452086)

BALANCE SHEET
31 December 2009

	Notes	2009 £	2009 £
CURRENT ASSETS			
Debtors	6	321,462	211,574
Cash at bank		<u>77,384</u>	<u>169,294</u>
		398,846	380,868
CREDITORS			
Amounts falling due within one year	7	<u>348,867</u>	<u>186,812</u>
NET CURRENT ASSETS		<u>49,979</u>	<u>194,056</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>49,979</u>	<u>194,056</u>
CAPITAL AND RESERVES			
Called up share capital	8	1	1
Profit and loss account	9	<u>49,978</u>	<u>194,055</u>
SHAREHOLDERS' FUNDS	13	<u>49,979</u>	<u>194,056</u>

The financial statements were approved by the Board of Directors on 29 June 2010 and were signed on its behalf by


D P Silvey - Director


D K Boyce - Director

ACHILLES PROFESSIONAL SERVICES LIMITED (REGISTERED NUMBER: 05452086)**CASH FLOW STATEMENT****For The Period 1 May 2009 to 31 December 2009**

	Notes	Period 1 5 09 to 31 12 09 £	Year ended 30 4 09 £
Net cash (outflow)/inflow from operating activities	1	(151,153)	117,767
Returns on investments and servicing of finance	2	153	203
Taxation		-	(6,108)
		(151,000)	111,862
Financing	2	59,090	17,606
(Decrease)/Increase in cash in the period		(91,910)	129,468

**Reconciliation of net cash flow
to movement in net funds**

	3		
(Decrease)/Increase in cash in the period		(91,910)	129,468
Change in net funds resulting from cash flows		(91,910)	129,468
Movement in net funds in the period		(91,910)	129,468
Net funds at 1 May		169,294	39,826
Net funds at 31 December		77,384	169,294

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
For The Period 1 May 2009 to 31 December 2009

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

	Period 1 5 09 to 31 12 09 £	Year ended 30 4 09 £
Operating (loss)/profit	(30,079)	66,837
Exceptional item	(100,000)	-
Increase in debtors	(168,978)	(1,279)
Increase in creditors	147,904	52,209
Net cash (outflow)/inflow from operating activities	(151,153)	117,767

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

	Period 1 5 09 to 31 12 09 £	Year ended 30 4 09 £
Returns on investments and servicing of finance		
Interest received	153	203
Net cash inflow for returns on investments and servicing of finance	153	203
Financing		
Intercompany finance	59,090	17,606
Net cash inflow from financing	59,090	17,606

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 5 09 £	Cash flow £	At 31 12 09 £
Net cash			
Cash at bank	169,294	(91,910)	77,384
	169,294	(91,910)	77,384
Total	169,294	(91,910)	77,384

NOTES TO THE FINANCIAL STATEMENTS
For The Period 1 May 2009 to 31 December 2009

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

2 STAFF COSTS

There were no staff costs for the period ended 31 December 2009 nor for the year ended 30 April 2009

3 OPERATING (LOSS)/PROFIT

The operating loss (2009 - operating profit) is stated after charging

	Period 1 5 09 to 31 12 09 £	Year ended 30 4 09 £
Auditors' remuneration	3,333	-
Foreign exchange differences	-	6
	<u> </u>	<u> </u>
Directors' remuneration	-	-
	<u> </u>	<u> </u>

4 EXCEPTIONAL ITEMS

The exceptional item totalling £100,000 relates to a write off of the debtor due from the associated company Unified Network Services Limited. The directors believe that due to the company ceasing to trade at 31 December 2009 the company does not have sufficient reserves available to repay the full amount due to Achilles Professional Services Limited and therefore a provision has been made.

5 TAXATION

Analysis of the tax charge

The tax charge on the loss on ordinary activities for the period was as follows

	Period 1 5 09 to 31 12 09 £	Year ended 30 4 09 £
Current tax		
Prior year under/(over)		
UK corporation tax	14,151	8
	<u> </u>	<u> </u>
Tax on (loss)/profit on ordinary activities	14,151	8
	<u> </u>	<u> </u>

ACHILLES PROFESSIONAL SERVICES LIMITED (REGISTERED NUMBER: 05452086)

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Period 1 May 2009 to 31 December 2009

6 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009	2009
	£	£
Trade debtors	261,973	91,552
Amounts owed by group undertakings	55,793	114,883
Other debtors	3,696	5,139
	<u>321,462</u>	<u>211,574</u>

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009	2009
	£	£
Trade creditors	3,457	343
Amounts owed to group undertakings	22,062	22,062
Tax	14,151	-
Social security and other taxes	-	29,599
VAT	5,840	-
Other creditors	303,357	134,808
	<u>348,867</u>	<u>186,812</u>

8 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid			2009	2009
Number	Class	Nominal value	£	£
1	Ordinary	£1	<u>1</u>	<u>1</u>

9 RESERVES

	Profit and loss account £
At 1 May 2009	194,055
Deficit for the period	<u>(144,077)</u>
At 31 December 2009	<u>49,978</u>

10 ULTIMATE PARENT COMPANY

The immediate parent company is Unified Group Limited. The ultimate parent company is Proximity Communications Plc.

Copies of the consolidated accounts are available by writing to the registered office at 1 Carnegie Road, Newbury, RG14 5DJ.

11 RELATED PARTY DISCLOSURES

The company is part of a group containing Proximity Communications Plc, Unified Group Limited, Unified Network Services Limited and Unified Professional Services Limited. During the period the company provided services and received recharges from various group companies. All transactions were on an arms length basis.

At the period end the company was owed £Nil (30 04 09 - £114,883) by Unified Network Services Limited and £55,793 (30 04 09 - £Nil) by Proximity Communications Plc. The company owed £22,062 (30 04 09 - £22,062) to Unified Professional Services Limited.

12 APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Period 1 May 2009 to 31 December 2009

13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009	2009
	£	£
(Loss)/Profit for the financial period	(144,077)	67,032
Net (reduction)/addition to shareholders' funds	(144,077)	67,032
Opening shareholders' funds	194,056	127,024
Closing shareholders' funds	49,979	194,056