

**Pinnacle Business Solutions Limited**

**Abbreviated Accounts**

**For The Year Ended 31 May 2002**



# PINNACLE BUSINESS SOLUTIONS LIMITED

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# PINNACLE BUSINESS SOLUTIONS LIMITED

## INDEPENDENT AUDITORS' REPORT TO PINNACLE BUSINESS SOLUTIONS LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

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We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of the company for the year ended 31 May 2002 prepared under section 226 of the Companies Act 1985.

### Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

### Basis of audit opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

### Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.



Johnston Carmichael

Chartered Accountants  
Registered Auditor

9 April 2003

Commerce House  
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IV30 1JE

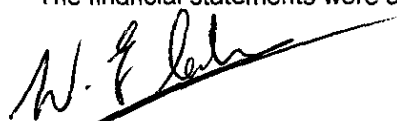
# PINNACLE BUSINESS SOLUTIONS LIMITED

## ABBREVIATED BALANCE SHEET AS AT 31 MAY 2002

	Notes	2002 £	£	2001 £	£
<b>Fixed assets</b>					
Intangible assets	2	284,018		294,350	
Tangible assets	2	56,677		52,551	
		<u>340,695</u>		<u>346,901</u>	
<b>Current assets</b>					
Stocks		8,247		18,890	
Debtors		130,101		162,916	
Cash at bank and in hand		81		142	
		<u>138,429</u>		<u>181,948</u>	
<b>Creditors: amounts falling due within one year</b>	3	<u>(305,479)</u>		<u>(399,081)</u>	
<b>Net current liabilities</b>		<u>(167,050)</u>		<u>(217,133)</u>	
<b>Total assets less current liabilities</b>		<u>173,645</u>		<u>129,768</u>	
<b>Creditors: amounts falling due after more than one year</b>	4	(100,959)		(40,474)	
<b>Provisions for liabilities and charges</b>		-		(1,419)	
<b>Accruals and deferred income</b>		(25,963)		(5,355)	
		<u>46,723</u>		<u>82,520</u>	
<b>Capital and reserves</b>					
Called up share capital	5	200		200	
Profit and loss account		46,523		82,320	
<b>Shareholders' funds</b>		<u>46,723</u>		<u>82,520</u>	

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 31 March 2003



E Cordiner  
Director

# PINNACLE BUSINESS SOLUTIONS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MAY 2002

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The accounts have been prepared on a going concern basis, as the directors have put in place sufficient funding facilities to enable all third party debts to be met as they fall due.

#### 1.2 Turnover

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

#### 1.3 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

#### 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:

Fixtures, fittings & equipment	-25% Reducing Balance
Motor vehicles	-25% Reducing Balance

#### 1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

#### 1.6 Stock and work in progress

Work in progress is valued at the lower of cost and net realisable value.

#### 1.7 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with the FRSSSE.

#### 1.8 Deferred taxation

The company has implemented FRSSSE Deferred Tax during 2002 which has required a change in accounting policy from partial provision to full provision. In accordance with the FRSSSE deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or 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 inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised only to the extent that it is regarded as more likely than not they will be recovered. Deferred tax assets and liabilities are not discounted. This change in the accounting policy has no effect on the results of the prior year.

#### 1.9 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

# PINNACLE BUSINESS SOLUTIONS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2002

### 1 Accounting policies (continued)

#### 1.10 Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

The regular cost of providing retirement pensions and related benefits is charged over the employees' service lives on the basis of a constant percentage of earnings.

### 2 Fixed assets

	Intangible assets £	Tangible assets £	Total £
<b>Cost</b>			
At 1 June 2001	312,332	201,339	513,671
Additions	66,414	20,641	87,055
At 31 May 2002	378,746	221,980	600,726
<b>Depreciation</b>			
At 1 June 2001	17,982	148,788	166,770
Charge for the year	76,746	16,515	93,261
At 31 May 2002	94,728	165,303	260,031
<b>Net book value</b>			
At 31 May 2002	284,018	56,677	340,695
At 31 May 2001	294,350	52,551	346,901

### 3 Creditors: amounts falling due within one year

The total amount of secured creditors falling due within one year is £67,038 (2001:£170,614)

### 4 Creditors: amounts falling due after more than one year

The aggregate amount of creditors for which security has been given amounted to £86,430 (2001 - £28,000).

5 Share capital	2002 £	2001 £
<b>Authorised</b>		
25,000 Ordinary shares of £ 1 each	25,000	25,000
<b>Allotted, called up and fully paid</b>		
200 Ordinary shares of £ 1 each	200	200

# **PINNACLE BUSINESS SOLUTIONS LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)** **FOR THE YEAR ENDED 31 MAY 2002**

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### **6 Transactions with directors**

The directors and several members of staff operate current accounts with the company. These loans attract interest at 10% per annum and have no fixed terms for repayment. At the year end Eric Cordiner was owed £347 and Michael Jamieson was owed £6,674.47. At the start of the year the company owed the directors £8,767, this was the maximum outstanding liability owed throughout the year. The directors have also provided certain guarantees as security for loans taken out by the company, details of these guarantees are provided in the creditors note.