

Company Registration No. SC239599 (Scotland)

**ABELON SYSTEMS LIMITED**  
**DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

WEDNESDAY



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# ABELON SYSTEMS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Ian Smith Duncan Walker Adrian McKie
<b>Secretary</b>	AS Company Services Ltd
<b>Company number</b>	SC239599
<b>Registered office</b>	Building 4, Quantum Court Research Avenue South Heriot-Watt University Research Park Edinburgh EH14 4AP
<b>Accountants</b>	David Marshall Associates CBC House 24 Canning Street Edinburgh EH3 8EG
<b>Business address</b>	Building 4, Quantum Court Research Avenue South Heriot-Watt University Research Park Edinburgh EH14 4AP
<b>Bankers</b>	HSBC plc 76 Hanover Street Edinburgh EH2 1HQ
<b>Solicitors</b>	Anderson Strathern LLP 1 Rutland Court Edinburgh EH3 8EY

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# ABELON SYSTEMS LIMITED

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# **ABELON SYSTEMS LIMITED**

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2011**

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The directors present their report and financial statements for the year ended 31 December 2011.

### **Principal activities**

The principal activity of the company continued to be that of software sales and consultancy.

### **Directors**

The following directors have held office since 1 January 2011:

Ian Smith  
Duncan Walker  
Adrian McKie

### **Statement of directors' responsibilities**

The directors are responsible for preparing 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). The financial statements are required by law to 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 those financial statements, the directors are required to:

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

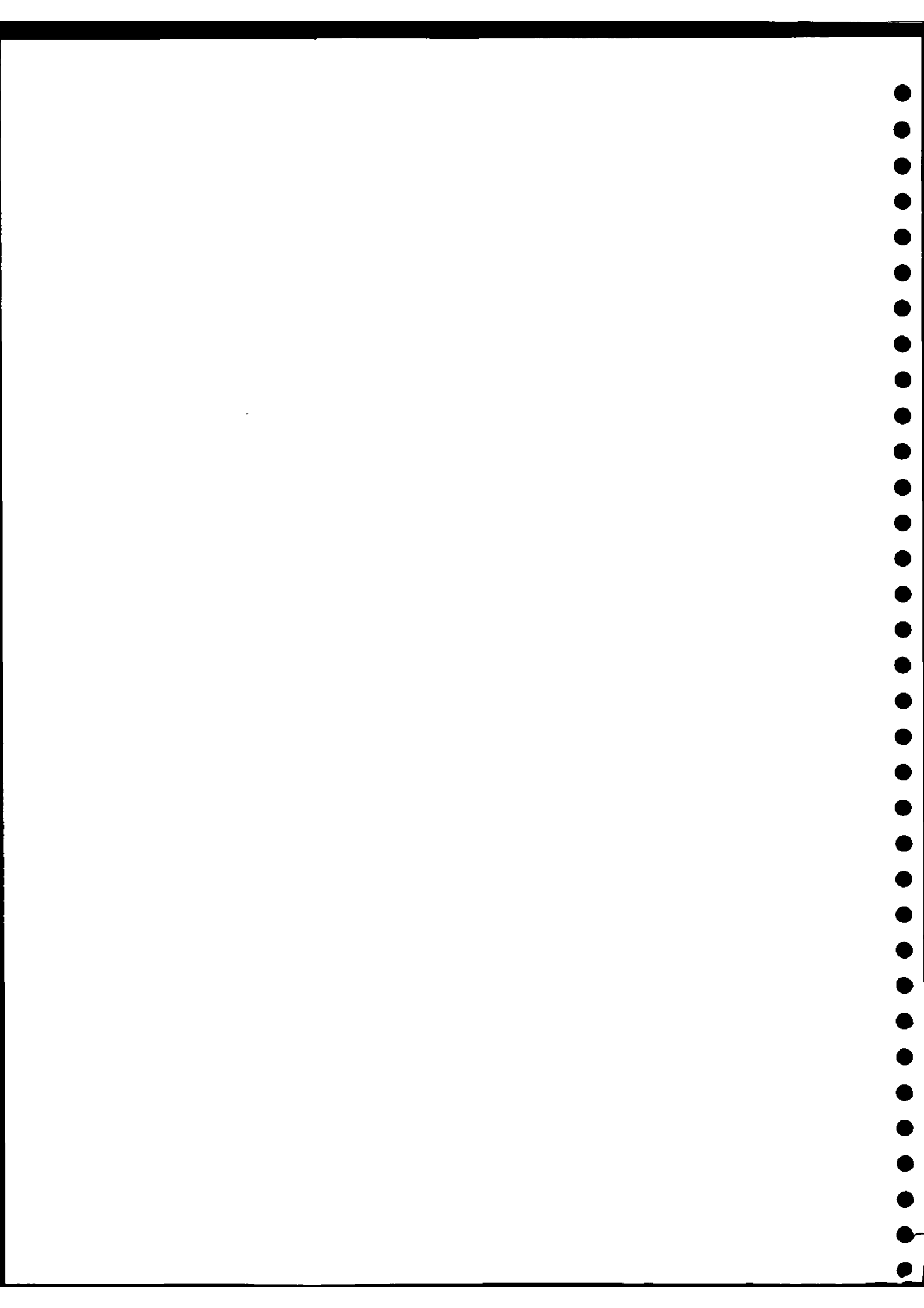
This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



Ian Smith  
**Director**

6 September 2012





# **ABELON SYSTEMS LIMITED**

## **CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF ABELON SYSTEMS LIMITED FOR THE YEAR ENDED 31 DECEMBER 2011**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Abelon Systems Limited for the year ended 31 December 2011 set out on pages 3 to 10 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants of Scotland, we are subject to its ethical and other professional requirements.

This report is made solely to the Board of Directors of Abelon Systems Limited, as a body, in accordance with the terms of our engagement letter dated 6 September 2010. We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in Scotland and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 31 December 2011 your duty to ensure that the company has kept adequate accounting records and to prepare financial statements that give a true and fair view under the Companies Act 2006. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Abelon Systems Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

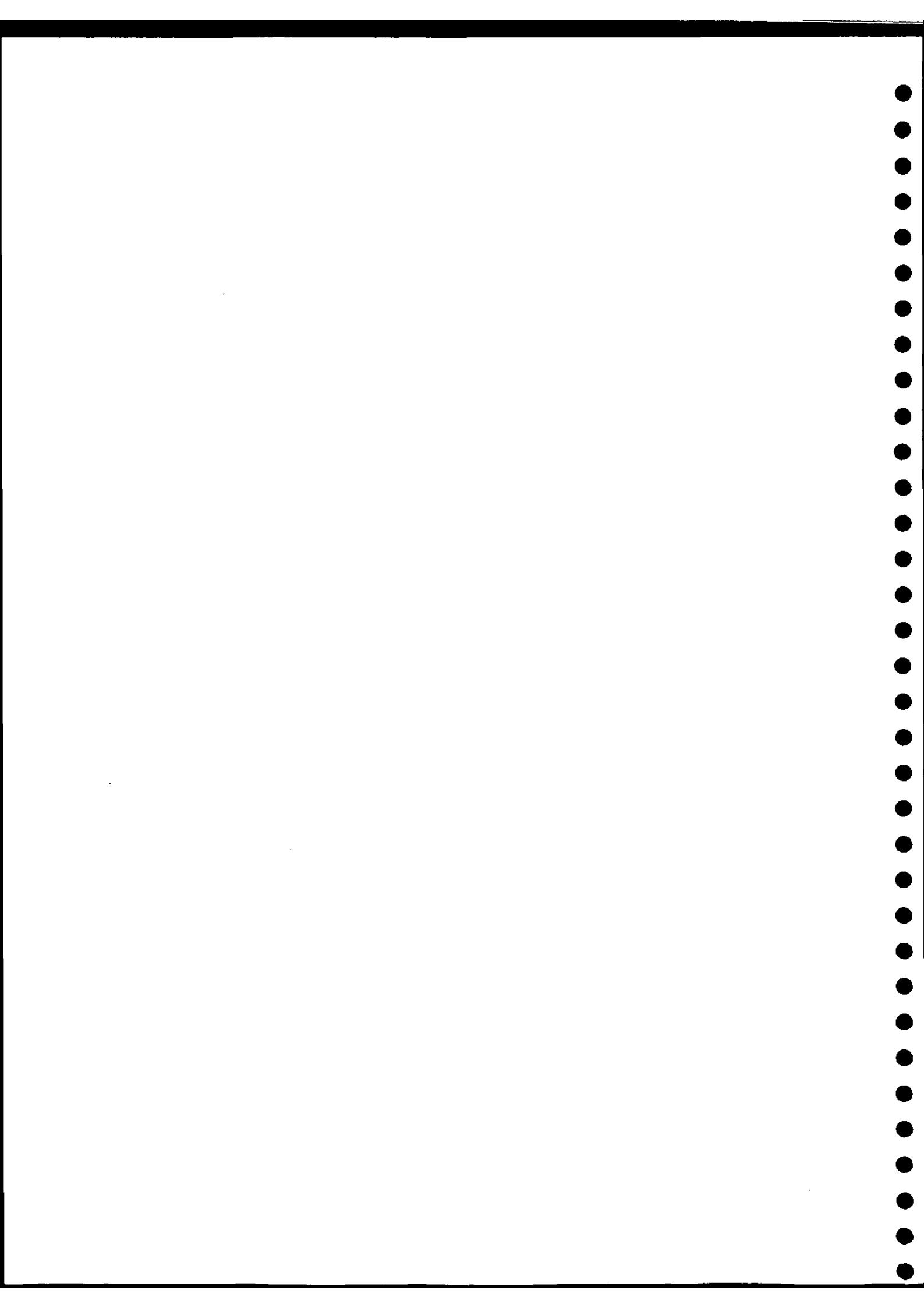


**David Marshall Associates**

10 September 2012

**Chartered Accountants**

CBC House  
24 Canning Street  
Edinburgh  
EH3 8EG

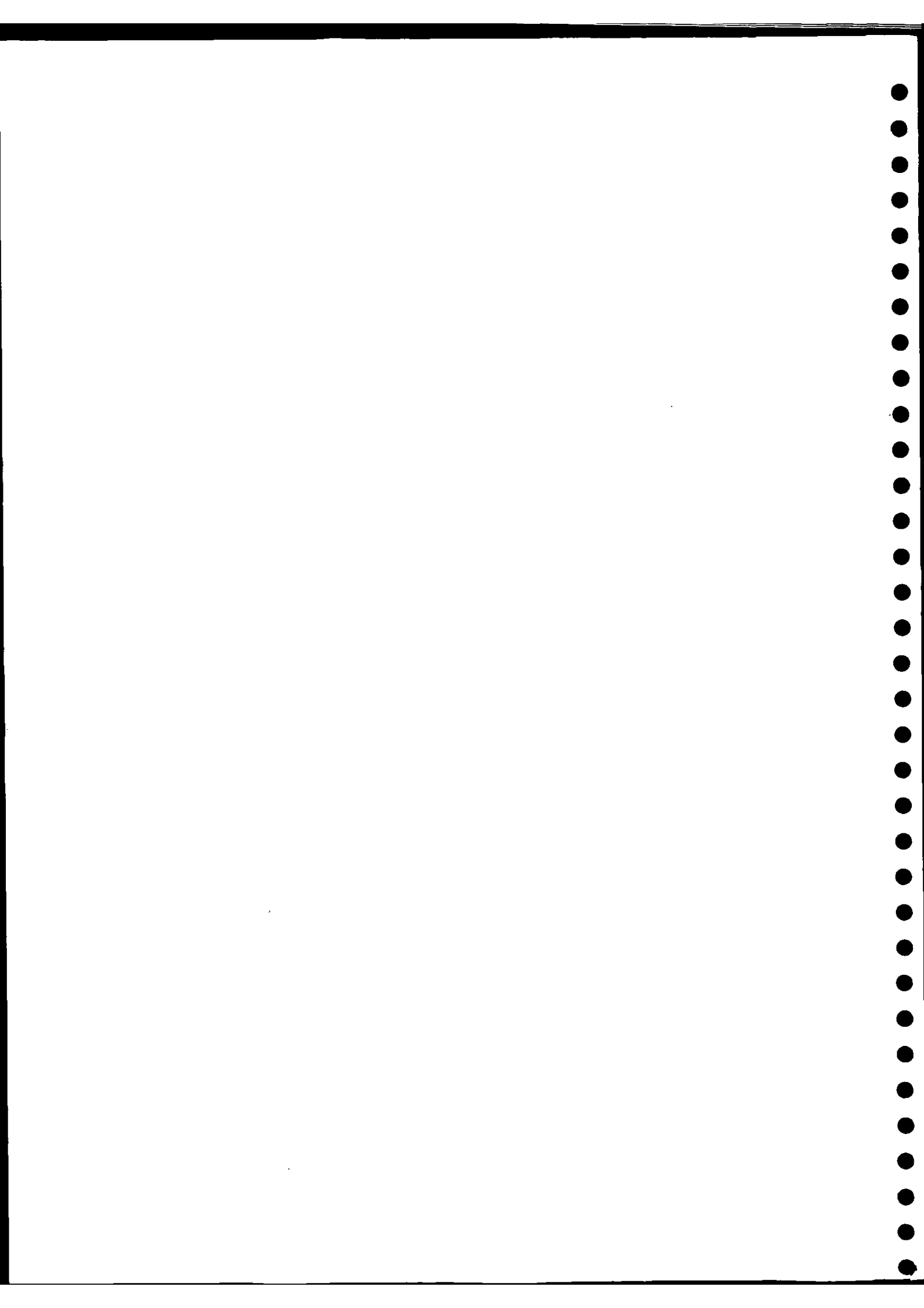


# ABELON SYSTEMS LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2011

		2011 £	2010 £
	Notes		
Turnover		953,443	691,175
Cost of sales		(649,741)	(539,682)
Gross profit		303,702	151,493
Administrative expenses		(101,796)	(50,057)
Operating profit	2	201,906	101,436
Other interest receivable and similar income	3	412	340
Profit on ordinary activities before taxation		202,318	101,776
Tax on profit on ordinary activities	4	(44,046)	(21,506)
Profit for the year	13	158,272	80,270

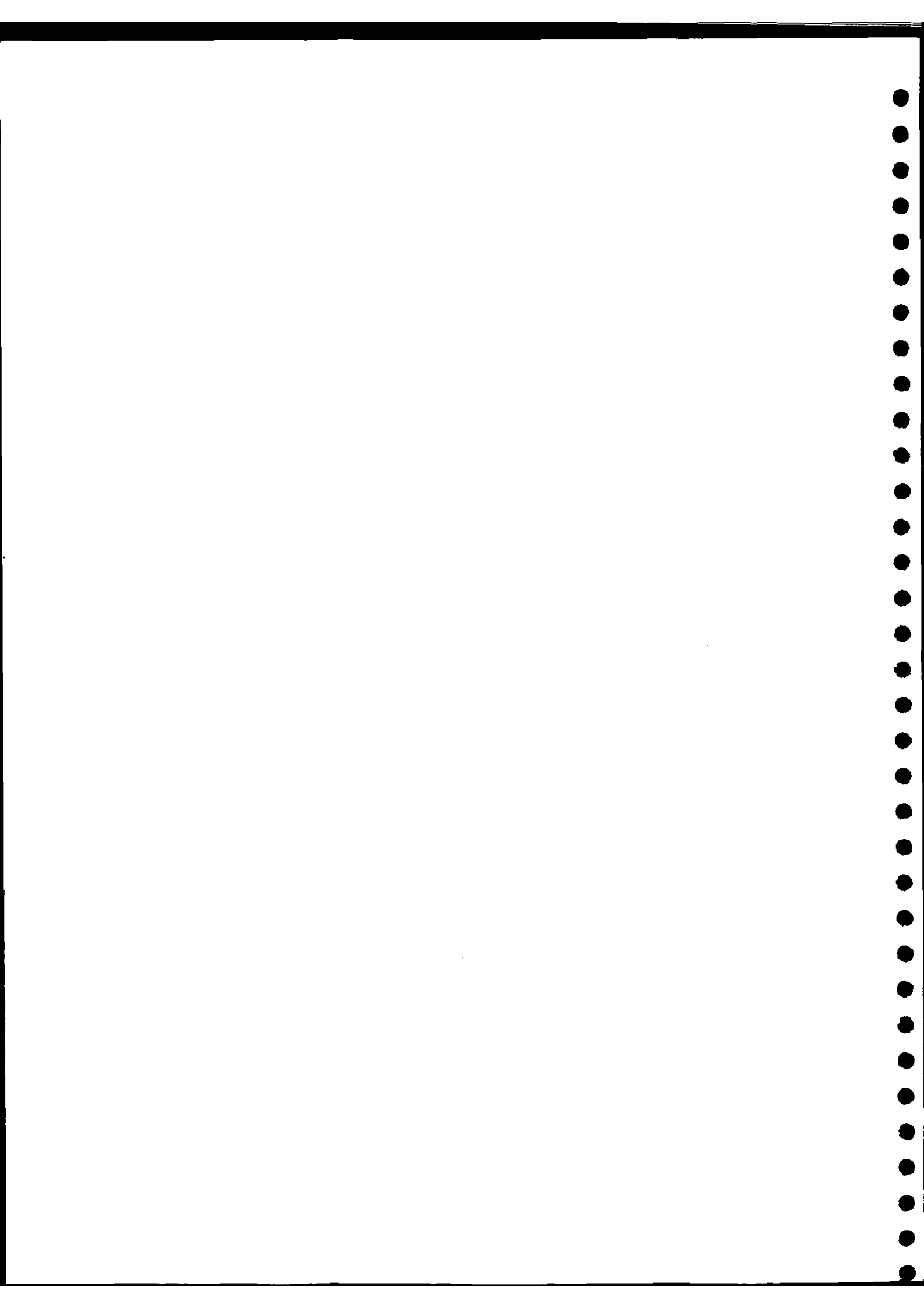


# ABELON SYSTEMS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2011

	Notes	2011 £	£	2010 £	£
<b>Fixed assets</b>					
Intangible assets	6		700		800
Tangible assets	7		38,152		1,257
			<u>38,852</u>		<u>2,057</u>
<b>Current assets</b>					
Stocks		40,635		51,365	
Debtors	8	127,192		37,566	
Cash at bank and in hand		527,683		449,081	
		<u>695,510</u>		<u>538,012</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(284,319)</u>		<u>(229,888)</u>	
<b>Net current assets</b>			<u>411,191</u>		<u>308,124</u>
<b>Total assets less current liabilities</b>			<u>450,043</u>		<u>310,181</u>
<b>Provisions for liabilities</b>	10		<u>(6,590)</u>		<u>-</u>
			<u>443,453</u>		<u>310,181</u>
<b>Capital and reserves</b>					
Called up share capital	12		8,100		8,100
Share premium account	13		366		366
Profit and loss account	13		434,987		301,715
<b>Shareholders' funds</b>			<u>443,453</u>		<u>310,181</u>



# **ABELON SYSTEMS LIMITED**

## **BALANCE SHEET (CONTINUED)**

**AS AT 31 DECEMBER 2011**

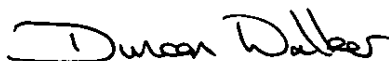
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For the financial year ended 31 December 2011 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements 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 in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

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 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board for issue on 6 September 2012



Duncan Walker  
Director



Adrian McKie  
Director

Company Registration No. SC239599





# ABELON SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

### 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 April 2008).

#### 1.2 Turnover

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

#### 1.3 Trade Marks

Trade Marks are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives.

#### 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:

Land and buildings Leasehold	25% straight line
Fixtures, fittings & equipment	25% straight line

#### 1.5 Deferred taxation

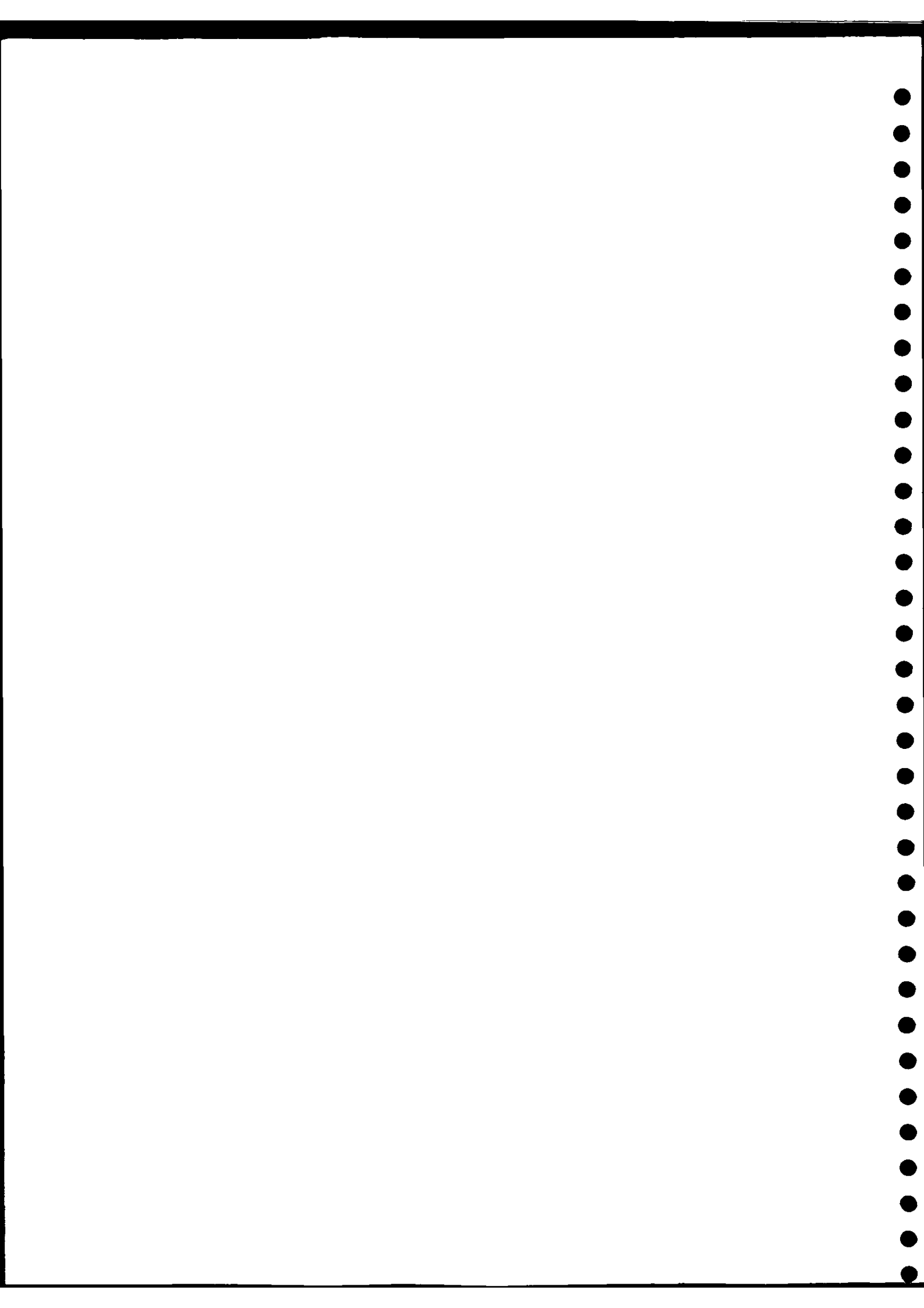
Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

### 2 Operating profit

	2011 £	2010 £
Operating profit is stated after charging:		
Amortisation of intangible assets	100	100
Depreciation of tangible assets	13,134	771
Directors' emoluments	193,091	163,839

### 3 Investment income

	2011 £	2010 £
Bank interest	411	340
Other interest	1	-



# ABELON SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

4	Taxation	2011	2010
		£	£
	<b>Domestic current year tax</b>		
	U.K. corporation tax	37,456	21,506
	<b>Total current tax</b>	37,456	21,506
	<b>Deferred tax</b>		
	Deferred tax charge/credit current year	6,590	-
		<u>44,046</u>	<u>21,506</u>
5	Dividends	2011	2010
		£	£
	Ordinary interim paid	<u>25,000</u>	<u>40,000</u>
6	Intangible fixed assets	Trade Marks	
		£	
	<b>Cost</b>		
	At 1 January 2011 & at 31 December 2011		<u>1,000</u>
	<b>Amortisation</b>		
	At 1 January 2011		200
	Charge for the year		100
	At 31 December 2011		<u>300</u>
	<b>Net book value</b>		
	At 31 December 2011		<u>700</u>
	At 31 December 2010		<u>800</u>



# ABELON SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

### 7 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 January 2011	-	5,606	5,606
Additions	6,938	43,091	50,029
At 31 December 2011	6,938	48,697	55,635
<b>Depreciation</b>			
At 1 January 2011	-	4,349	4,349
Charge for the year	1,734	11,400	13,134
At 31 December 2011	1,734	15,749	17,483
<b>Net book value</b>			
At 31 December 2011	5,204	32,948	38,152
At 31 December 2010	-	1,257	1,257

### 8 Debtors

	2011 £	2010 £
Trade debtors	123,448	36,484
Other debtors	3,744	1,082
	127,192	37,566



# ABELON SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2011

9 Creditors: amounts falling due within one year	2011 £	2010 £
Bank loans and overdrafts	1,894	1,202
Trade creditors	6,501	99
Taxation and social security	106,632	76,476
Other creditors	169,292	152,111
	<u>284,319</u>	<u>229,888</u>

Included in other creditors are loans made to the company by the directors. The full amount outstanding at the year end is £19,341 (2010 - £19,341). These loans have no fixed repayment dates and bear no interest.

#### 10 Provisions for liabilities

	Deferred tax liability £
Profit and loss account	6,590
Balance at 31 December 2011	<u>6,590</u>

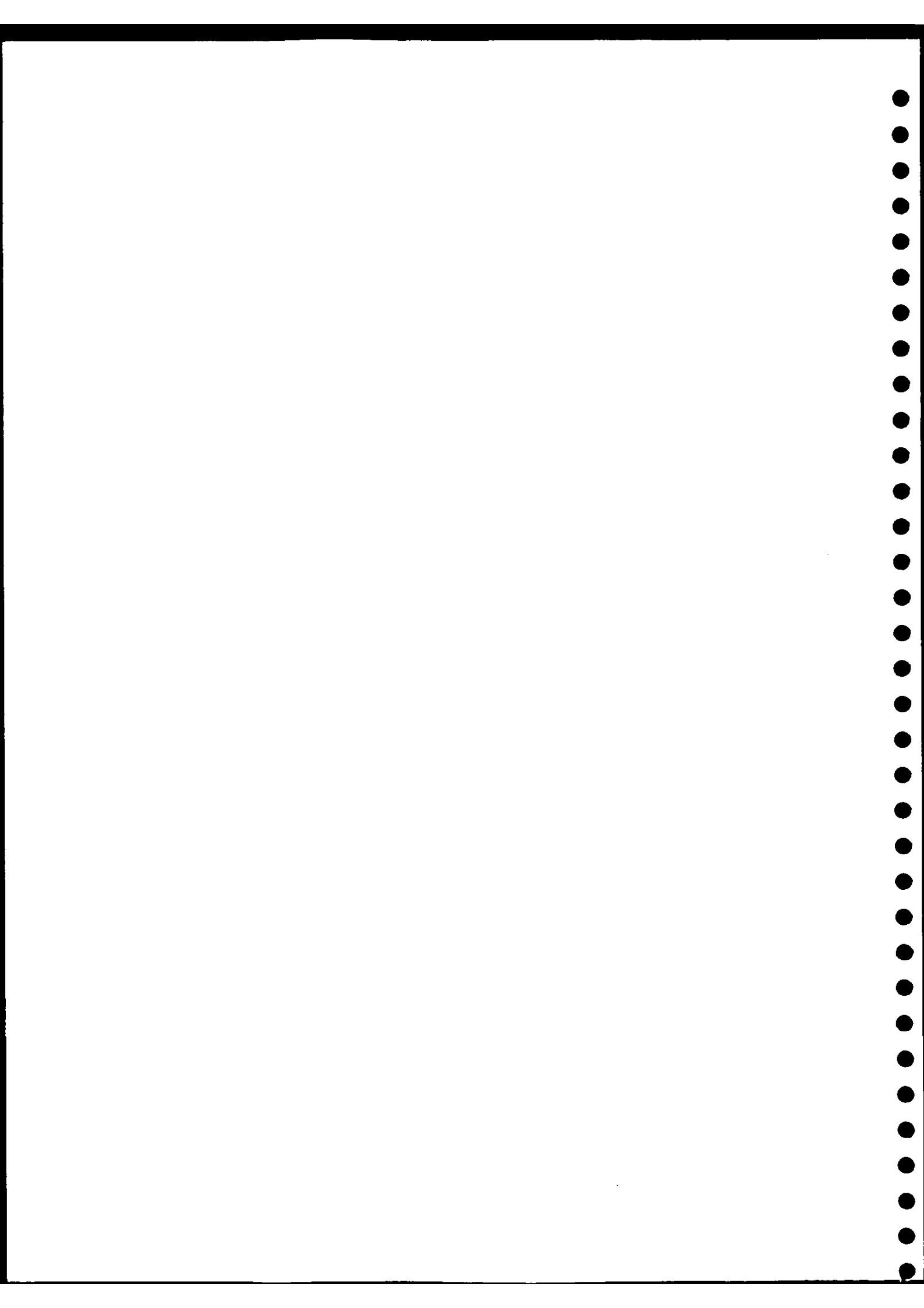
The deferred tax liability is made up as follows:

	2011 £	2010 £
Accelerated capital allowances	<u>6,590</u>	<u>-</u>

#### 11 Pension costs

##### Defined contribution

	2011 £	2010 £
Contributions payable by the company for the year	<u>29,980</u>	<u>35,191</u>





# ABELON SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

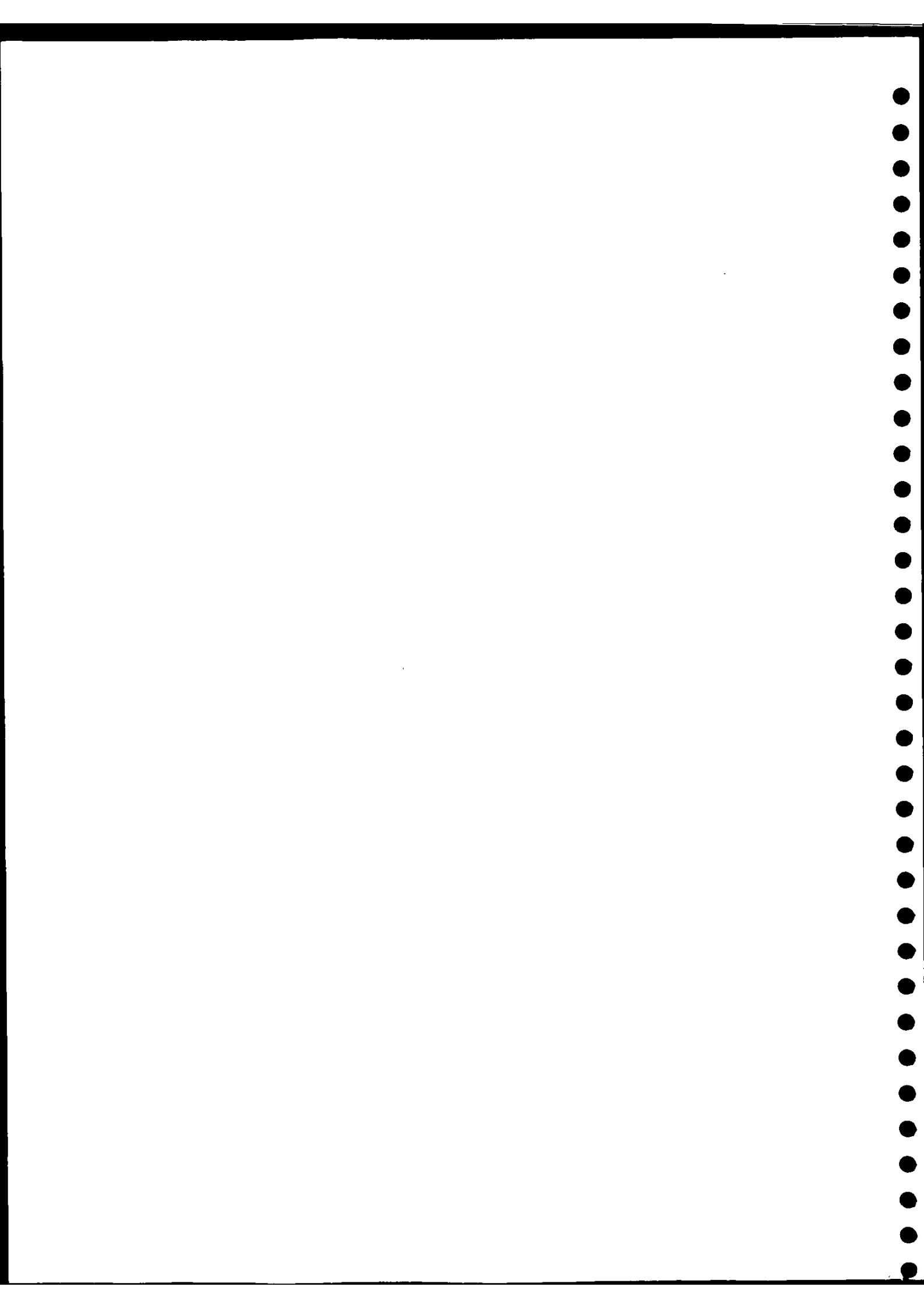
12 Share capital	2011 £	2010 £
Allotted, called up and fully paid		
600,000 Ordinary A share of 1p each	6,000	6,000
210,000 Ordinary B share of 1p each	2,100	2,100
	<u>8,100</u>	<u>8,100</u>

13 Statement of movements on reserves	Share premium account £	Profit and loss account £
Balance at 1 January 2011	366	301,715
Profit for the year	-	158,272
Dividends paid	-	(25,000)
Balance at 31 December 2011	<u>366</u>	<u>434,987</u>

## 14 Financial commitments

At 31 December 2011 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2012:

	2011 £	2010 £
Operating leases which expire:		
Between two and five years	<u>37,618</u>	<u>-</u>



**ABELON SYSTEMS LIMITED**  
**MANAGEMENT INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**



# ABELON SYSTEMS LIMITED

## DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2011

		2011		2010
	£	£	£	£
<b>Turnover</b>				
Sales		953,443		691,175
<b>Cost of sales</b>				
Opening work in progress	51,365		26,550	
Purchases	31,987		16,159	
Wages and salaries (excl. N.I.)	316,596		294,465	
Directors' remuneration	185,627		152,875	
Employer's N.I. contributions	58,095		52,833	
Directors' pension costs	7,464		10,964	
Staff pension scheme costs	22,516		24,227	
Subcontract labour	16,641		12,660	
Healthcare	85		314	
	<u>690,376</u>		<u>591,047</u>	
Closing work in progress	(40,635)		(51,365)	
		<u>(649,741)</u>		<u>(539,682)</u>
<b>Gross profit</b>	31.85%	303,702	21.92%	151,493
<b>Administrative expenses</b>		<u>(101,796)</u>		<u>(50,057)</u>
<b>Operating profit</b>		201,906		101,436
<b>Other interest receivable and similar income</b>				
Bank interest received	411		340	
Interest on tax refund	1		-	
	<u></u>	<u>412</u>	<u></u>	<u>340</u>
<b>Profit before taxation</b>	21.22%	<u>202,318</u>	14.73%	<u>101,776</u>



# ABELON SYSTEMS LIMITED

## SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 DECEMBER 2011

	2011	2010
	£	£
<b>Administrative expenses</b>		
Rent	19,718	10,800
Insurance	13,338	12,683
Light and heat	241	152
Cleaning	2,772	1,540
Repairs and maintenance	10,647	1,001
Printing, postage and stationery	1,167	492
Advertising	629	57
Training Costs	350	578
Telephone	2,384	1,930
IT consumable costs	8,772	3,081
Motor running expenses	19	180
Exhibitions	248	200
Travelling expenses	7,647	5,643
Entertaining	2,019	1,388
Legal and professional fees	164	1,037
Legal and prof fees -non allowable	12,418	-
Accountancy	3,970	4,615
Bank charges	438	230
Canteen	756	493
Sundry expenses	383	300
Charitable donations	100	300
Subscriptions	165	2,486
Subscriptions - non allowable	217	-
Depreciation on intangible assets	100	100
Amortisation on long leasehold	1,734	-
Depreciation	11,400	771
	<u>101,796</u>	<u>50,057</u>

