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# REGISTRAR OF COMPANIES

**Report of the Directors and  
Financial Statements  
for the Year Ended 30 June 2007  
for  
Mobile Computing Systems Limited**

WEDNESDAY



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30/01/2008  
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**Mobile Computing Systems Limited**

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for the Year Ended 30 June 2007**

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**Mobile Computing Systems Limited**

**Company Information  
for the Year Ended 30 June 2007**

**DIRECTORS.**

R Scott  
R Servini  
N A Regan

**SECRETARY:**

R Scott

**REGISTERED OFFICE**

Technium II  
Unit 5  
Kings Road  
Swansea  
SA1 8PJ

**REGISTERED NUMBER**

4240875

**AUDITORS**

Broomfield & Alexander Limited  
Registered Auditors  
Chartered Accountants  
Pendragon House  
Caxton Place  
Pentwyn  
Cardiff  
CF23 8XE

## Mobile Computing Systems Limited

### Report of the Directors for the Year Ended 30 June 2007

The directors present their report with the financial statements of the company for the year ended 30 June 2007

#### PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of computer software and hardware consultancy and supply and other related services

#### REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements

2006/7 was a year of considerable success for the company. The new version of the company's main product, Priority1, was enthusiastically received within the construction sector. It has been used by BAA to help manage the completion of construction work on Terminal 5, and subsequently adopted on other projects by three of the UK's largest construction companies.

The company also won a major contract from a scaffolding company to develop a system for recording all on-site activities.

The company's finances have been carefully managed and we achieved a healthy profit for the year. We are now very well placed to grow our Priority1 business, develop the product still further and strengthen our team in 2007/8.

#### DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2006 to the date of this report.

R Scott  
R Servini

Other changes in directors holding office are as follows:

N A Regan - appointed 26 March 2007

#### 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 these 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

#### 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 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### AUDITORS

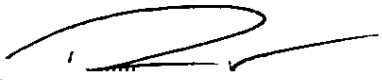
The auditors, Broomfield & Alexander Limited, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**Mobile Computing Systems Limited**

**Report of the Directors  
for the Year Ended 30 June 2007**

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

**ON BEHALF OF THE BOARD**



R Scott - Secretary

Date

16/1/08

**Report of the Independent Auditors to the Shareholders of  
Mobile Computing Systems Limited**

We have audited the financial statements of Mobile Computing Systems Limited for the year ended 30 June 2007 on pages five to ten. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page two.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 30 June 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Report of the Directors is consistent with the financial statements.

*Broomfield & Alexander Limited*

Broomfield & Alexander Limited  
Registered Auditors  
Chartered Accountants  
Pendragon House  
Caxton Place  
Pentwyn  
Cardiff  
CF23 8XE

Date *21 January 2008*

**Mobile Computing Systems Limited**

**Profit and Loss Account  
for the Year Ended 30 June 2007**

	Notes	2007 £	2006 £
<b>TURNOVER</b>		706,959	398,587
Cost of sales		<u>327,445</u>	<u>248,529</u>
<b>GROSS PROFIT</b>		379,514	150,058
Administrative expenses		<u>283,028</u>	<u>383,186</u>
		96,486	(233,128)
Other operating income		<u>903</u>	<u>7,538</u>
<b>OPERATING PROFIT/(LOSS)</b>	2	97,389	(225,590)
Interest payable and similar charges		<u>15,212</u>	<u>10,624</u>
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		82,177	(236,214)
Tax on profit/(loss) on ordinary activities	3	<u>-</u>	<u>-</u>
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION</b>		<u><u>82,177</u></u>	<u><u>(236,214)</u></u>

The notes form part of these financial statements

**Mobile Computing Systems Limited**

**Balance Sheet  
30 June 2007**

	Notes	2007		2006	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	4		25,846		19,429
<b>CURRENT ASSETS</b>					
Debtors	5	187,075		129,682	
Cash at bank and in hand		5		37,224	
		<u>187,080</u>		<u>166,906</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	6	240,141		223,643	
<b>NET CURRENT LIABILITIES</b>			<u>(53,061)</u>		<u>(56,737)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			(27,215)		(37,308)
<b>CREDITORS</b>					
Amounts falling due after more than one year	7		202,500		274,583
<b>NET LIABILITIES</b>			<u>(229,715)</u>		<u>(311,891)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	11		35,292		35,292
Share premium	12		283,124		283,125
Profit and loss account	12		<u>(548,131)</u>		<u>(630,308)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>(229,715)</u>		<u>(311,891)</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved by the Board of Directors on its behalf by

16/1/08

and were signed on



R Scott - Director



Mobile Computing Systems Limited

Notes to the Financial Statements  
for the Year Ended 30 June 2007

1 ACCOUNTING POLICIES

**Basis of preparing the financial statements**

The ability of the company to continue to trade is reliant upon the continued support of the directors and creditors of the company. The directors have confirmed their continued support and they are confident that the business will continue to be more profitable in the future on the basis of new trading activities that have commenced since the year end.

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

**Changes in accounting policies**

The effect of the change in accounting policy to adopt the requirements of FRS 25 was to reclassify the preference shares of £141,250 (2006 £141,250) from equity to liabilities.

**Turnover**

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

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 33% on cost

**Deferred tax**

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

**Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

**Profit recognition on contracting activities**

Profit on individual contracts is taken only when their outcome can be foreseen with reasonable certainty, based on the lower of the percentage margin earned to date and that prudently forecast at completion, taking account of agreed claims. Full provision is made for all known or expected losses on individual contracts, taking a prudent view of future claims income, immediately such losses are foreseen.

2 OPERATING PROFIT/(LOSS)

The operating profit (2006 - operating loss) is stated after charging

	2007	2006
	£	£
Depreciation - owned assets	7,680	4,947
Loss on disposal of fixed assets	4,210	-
Auditors' remuneration	2,500	-
	<u>          </u>	<u>          </u>
Directors' emoluments and other benefits etc	104,754	90,440
	<u>          </u>	<u>          </u>

3 TAXATION

**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 30 June 2007 nor for the year ended 30 June 2006.

**Mobile Computing Systems Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 30 June 2007**

**4 TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>				
At 1 July 2006	4,829	-	52,456	57,285
Additions	40	4,600	20,902	25,542
Disposals	<u>(4,286)</u>	<u>(4,600)</u>	<u>(38,177)</u>	<u>(47,063)</u>
At 30 June 2007	<u>583</u>	<u>-</u>	<u>35,181</u>	<u>35,764</u>
<b>DEPRECIATION</b>				
At 1 July 2006	2,915	-	34,941	37,856
Charge for year	32	1,342	6,306	7,680
Eliminated on disposal	<u>(2,576)</u>	<u>(1,342)</u>	<u>(31,700)</u>	<u>(35,618)</u>
At 30 June 2007	<u>371</u>	<u>-</u>	<u>9,547</u>	<u>9,918</u>
<b>NET BOOK VALUE</b>				
At 30 June 2007	<u>212</u>	<u>-</u>	<u>25,634</u>	<u>25,846</u>
At 30 June 2006	<u>1,914</u>	<u>-</u>	<u>17,515</u>	<u>19,429</u>

**5 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2007 £	2006 £
Trade debtors	87,135	36,407
Amounts recoverable on contracts	92,550	93,275
Directors' loan accounts	6,699	-
Prepayments and accrued income	691	-
	<u>187,075</u>	<u>129,682</u>

**6 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2007 £	2006 £
Bank loans and overdrafts	36,924	16,667
Preference shares (see note 8)	47,083	-
Trade creditors	31,007	56,573
Social security and other taxes	11,853	7,848
Other creditors	1,031	-
VAT	26,013	10,165
Directors' loan accounts	-	13,328
Accruals and deferred income	86,230	119,062
	<u>240,141</u>	<u>223,643</u>

The directors loan accounts are unsecured and non interest bearing

**7 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2007 £	2006 £
Bank loans - 1-2 years	25,000	25,000
Bank loans - 2-5 years	75,000	75,000
Bank loans more than 5 yrs by instalments	8,333	33,333
Preference shares (see note 8)	94,167	141,250
	<u>202,500</u>	<u>274,583</u>

**Mobile Computing Systems Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 30 June 2007**

<b>7</b>	<b>CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR - continued</b>		
		2007	2006
		£	£
	Amounts falling due in more than five years		
	Repayable by instalments		
	Bank loans more than 5 yrs by instalments	8,333	33,333
		<u>8,333</u>	<u>33,333</u>

**8 PREFERENCE SHARES**

Authorised, allotted, issued and fully paid

Number	Class	Nominal value	2007 £	2006 £
141,250	Cumulative Redeemable Preference shares	£1	<u>141,250</u>	<u>141,250</u>

The company has adopted FRS 25 - 'Financial Instruments disclosure and presentation' The effect of the change in accounting policy to adopt the requirements of FRS 25 was to reclassify the cumulative redeemable preference shares of £1 each of £141,250 (2006 £141,250) from share capital to liabilities (£47,083 in creditors due within one year and £94,167 in creditors due after more than one year)

The cumulative redeemable preference shares are non-equity shares which carry an entitlement to a dividend, which if not paid will be accrued for and paid to the holders of these shares at the date of redemption They are redeemable on 30 June 2008, 30 June 2009 and 30 June 2010

**9 OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year

	2007 £	2006 £
Expiring		
Within one year	1,286	-
Between one and five years	5,670	8,310
	<u>6,956</u>	<u>8,310</u>

**10 SECURED DEBTS**

The following secured debts are included within creditors

	2007 £	2006 £
Bank overdraft	11,924	-
Bank loans	133,333	150,000
	<u>145,257</u>	<u>150,000</u>

The bank loan and overdraft is secured by way of a fixed and floating charge over the assets and liabilities of the company

**Mobile Computing Systems Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 30 June 2007**

**11 CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid				
Number	Class	Nominal value	2007	2006
		£	£	£
402	Ordinary shares	£0 50	201	201
182	'A' Ordinary shares	£0 50	91	91
35,000	'A' Preference Shares	£1	35,000	35,000
			<u>35,292</u>	<u>35,292</u>

According to the shareholders agreement and articles of association the profits of the company available by law for distribution in respect of the financial year shall be applied as follows

- the company shall pay to the members holding 'A' Ordinary Shares a cumulative preferential net cash dividend which is equal to a per centum of net profits for the relevant financial year commencing 1 July 2006

The company has negative retained earnings of £548,131 Therefore no dividend can be accrued However as soon as the company has positive net earnings a dividend shall be declared and paid for the period commencing 1 July 2006 The total due in accordance with the shareholders agreement would be £3,721

**12 RESERVES**

	Profit and loss account	Share premium	Totals
	£	£	£
At 1 July 2006	(630,308)	283,124	(347,184)
Profit for the year	82,177		82,177
At 30 June 2007	<u>(548,131)</u>	<u>283,124</u>	<u>(265,007)</u>

**13 TRANSACTIONS WITH DIRECTORS**

The following loan to directors subsisted during the years ended 30 June 2007 and 30 June 2006

	2007	2006
	£	£
<b>R Scott</b>		
Balance outstanding at start of year	-	-
Balance outstanding at end of year	6,699	-
Maximum balance outstanding during year	<u>7,588</u>	<u>-</u>

**14 RELATED PARTY DISCLOSURES**

During the year the company made sales of goods and services to Ethnic Cuisine Limited totalling £104,463 (2006 £82,735) The amount due from Ethnic Cuisine Limited at the year end is £5,940 (2006 £1,760)

The companies are related by a common director

During the year Richard Scott sold his car to the company for £4,600 (2006 £nil)

Richard Scott is a director of the company

During the year the company used the consultancy services of Meng Yap, a shareholder in the company, which totalled £5,000 (2006 £nil)

**15 ULTIMATE CONTROLLING PARTY**

In the opinion of the directors there is no ultimate controlling party