

Callowhill Taxation Services Limited

Company No: 5800810

FINANCIAL STATEMENTS

- for the Period Ended -

5 April 2008

Callowhill Taxation Services Limited

Chartered Tax Adviser

172D Station Road

Westcliff-on-Sea

Essex

SS0 7SB

WEDNESDAY



AC0Z0CJG

A06

19/08/2009

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COMPANIES HOUSE

Callowhill Taxation Services Ltd

Director:

Andrew I Callowhill CTA ATT

Business Addresses:

172D Station Road
Westcliff-on-Sea
Essex SS0 7SB

Registered Office:

172D Station Road
Westcliff-on-Sea
Essex SS0 7SB

Callowhill Taxation Services Limited

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Callowhill Taxation Services Limited
Period Ended 5 April 2008

DIRECTOR'S REPORT

The director presents his report and the financial statements for the period ended 5 April 2008.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company was incorporated on 28 April 2006.

The company commenced trading as a Chartered Tax Adviser with effect from 1 September 2006 having acquired the client base and goodwill of the director's previous sole trader Chartered Tax Adviser practice for the sum of £20,000.

DIVIDENDS AND TRANSFER TO RESERVES

An interim dividend of £10 per share was declared on a monthly basis with effect from April 2007.

DIRECTOR AND HIS INTEREST

The director at the balance sheet date and his interest in the company at that date and at the beginning of the year was as follows:

| | <u>Class of Share</u> | <u>Number of Shares</u> | |
|-----------------------------|-----------------------|-------------------------|-------------|
| | | <u>2008</u> | <u>2007</u> |
| Andrew I Callowhill CTA ATT | Ordinary Shares | 100 | 100 |

DIRECTOR'S RESPONSIBILITIES

Company Law requires the directors to prepare financial statements for each financial year 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 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 judgments and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate; and
- Presume the company will continue in business.

The director is responsible for maintaining 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. He is 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.

Callowhill Taxation Services Limited
Period Ended 5 April 2008

POLITICAL AND CHARITABLE CONTRIBUTIONS

No political or charitable donations were by the company made during the year.

CLOSE COMPANY

The company is a close company as defined by the Income and Corporation Taxes Act 1988.

Signed by order of the Director



Andrew I Callowhill CTA ATT
(Director)

Date: 22/7/2009

Callowhill Taxation Services Limited
Period Ended 5 April 2008

PROFIT AND LOSS STATEMENT

| | Notes | 2008 | 2007 |
|--|--------------|-----------------|----------------|
| | | £ | £ |
| Invoiced Fees | 2 | 44,070 | 22,959 |
| Less: Commissions | | (7,888) | - |
| Less: Bad Debts | | <u>(3,400)</u> | <u>(375)</u> |
| | | 32,782 | 22,584 |
| Less: Administrative Expenses | | <u>(24,018)</u> | <u>(9,658)</u> |
| Net Operating Profit | 27% | 8,764 | 12,926 |
| Add: Bank Interest Received | | <u>11</u> | <u>5</u> |
| Profit Before Corporation Tax | 27% | 8,775 | 12,931 |
| Corporation Tax Payable | | <u>(2,588)</u> | <u>(2,457)</u> |
| Profit After Corporation Tax | 19% | 6,187 | 10,474 |
| Retained Profit Brought Forward | | 10,474 | - |
| Dividends Declared in Year | | <u>(12,000)</u> | <u>-</u> |
| Retained Profit Carried Forward | | 4,661 | 10,474 |

The company has no recognised gains or losses other than those dealt with in the profit and loss account.

The notes on pages 6 to 8 form part of these financial statements.

Callowhill Taxation Services Limited
Period Ended 5 April 2008

BALANCE SHEET

| | Notes | 2008 | | 2007 | |
|-------------------------------|-------|-----------------|-----------------|-----------------|----------------|
| | | £ | £ | £ | £ |
| Intangible Assets | 3 | | 16,833 | | 20,000 |
| Current Assets | 4 | 7,175 | | 1,373 | |
| Current Liabilities | 5 | <u>(19,247)</u> | | <u>(10,799)</u> | |
| Net Current Assets | | | <u>(12,072)</u> | | <u>(9,426)</u> |
| Net Assets | | | 4,761 | | 10,574 |
| Capital & Reserves | | | | | |
| Called up share capital | 6 | 100 | | 100 | |
| Profit & Loss Account | 7 | <u>4,661</u> | | <u>10,474</u> | |
| Shareholder's Funds | 8 | | 4,761 | | 10,574 |

The notes on pages 6 to 8 form part of these financial statements.

The statements required to be made by the Company Director and the signature required by the Companies Act 1985 are given on the following page.

Callowhill Taxation Services Limited
Period Ended 5 April 2008

BALANCE SHEET (CONTINUED)

The director has taken advantage of the exemption conferred by section 249A(1) not to have these financial statements audited and confirm that no notice has been deposited under Section 249B(2) of the Companies Act 1985.

The director acknowledges his responsibility for ensuring that:

- i) The company keeps accounting records which comply with section 221 of the Companies Act 1985;
- ii) The financial statements give a true and fair view of the state of affairs at the company as at 5 April 2008 and of its profit or loss for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as is applicable to the company.

The financial statements were approved by the board on the date below and signed on its behalf by:



Andrew I Callowhill CTA ATT

Director Date: 22/4/2009

The notes on pages 6 to 8 form part of these financial statements.

Callowhill Taxation Services Limited
Period Ended 5 April 2008

NOTES TO THE FINANCIAL STATEMENTS

1.1 Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company.

1.3 Tangible fixed assets and depreciation

There are no tangible fixed assets of the company.

1.4 Intangible assets

The goodwill purchased by the company has been included at fair value and will be regularly reviewed for impairment.

1.5 Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 from presenting a cash flow statement as it qualifies as a small company.

2. Invoices & Fee Income

The company has one fee earner. However, due to the restricted number of hours which he can work, due to his heart condition, the maximum fee income of the company is restricted.

The initial budget/cash flow projection was calculated on the basis of a recoverable fee level of £800 for company accounts and taxation affairs, £350 for sole trader affairs and nominal fees for a few "goodwill" clients who have been with the practice for very many years.

To enhance this, consultancy income was also sought. A recoverable rate of between £60 and £70 was sought for this work and rates in excess of £100 per hour have since been obtained. As such, a high rate of return can be obtained although this income stream is restricted because having to travel any significant distance, for example to London, means that little work can be done the next day.

3. Intangible Assets

| | 2008 | 2007 |
|----------|--------|--------|
| | £ | £ |
| Goodwill | 16,833 | 20,000 |

The goodwill was acquired from the Director's previous practice and has been amortised at the rate of 10% per year.

Callowhill Taxation Services Limited
Period Ended 5 April 2008

NOTES TO THE FINANCIAL STATEMENTS

4. Debtors

| | Notes | 2008 £ | 2007 £ |
|----------------------------|-------|--------------|--------------|
| Trade Debtors | | 1,706 | 934 |
| Director's Current Account | | 2,030 | - |
| Cash at Bank and in Hand | | 3,439 | 439 |
| | | <u>7,175</u> | <u>1,373</u> |

5. Creditors

| | Notes | 2008 £ | 2007 £ |
|----------------------------|-------|---------------|---------------|
| Trade Creditors | | 7,825 | 1,332 |
| Director's Current Account | 9 | - | 7,010 |
| Accruals | | 6,377 | - |
| Corporation Tax | | 5,045 | 2,457 |
| | | <u>19,247</u> | <u>10,799</u> |

6. Called up Share Capital

| | 2008 £ | 2007 £ |
|----------------------------------|-----------|-----------|
| Authorised | 100 | 100 |
| Allotted, called up & fully paid | 100 | 100 |

7. Profit & Loss Account

| | 2008 £ | 2007 £ |
|---------------------------------|--------------|---------------|
| Retained Profit Brought Forward | 10,474 | - |
| Profit After Tax for Period | 6,187 | 10,474 |
| Distributed Profit | (12,000) | - |
| Retained Profit Carried Forward | <u>4,661</u> | <u>10,474</u> |

8. Reconciliation of Movements in Shareholders' Funds

| | 2008 £ | 2007 £ |
|--|----------------|---------------|
| Profit for the financial year | 6,187 | 10,474 |
| Dividends | (12,000) | - |
| | <u>(5,813)</u> | <u>10,474</u> |
| Shareholder's Funds at 6 April/1 September | 10,474 | - |
| Shareholder's Funds at 5 April | <u>4,661</u> | <u>10,474</u> |
| Represented by: | | |
| Equity Interests | <u>4,661</u> | <u>10,474</u> |
| | 4,661 | 10,474 |

Callowhill Taxation Services Limited
Period Ended 5 April 2008

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD

9. Transactions with Directors

Full details of transactions with Andrew I Callowhill CTA ATT are set out in the attached director's loan account.