

COMPANY REGISTRATION NUMBER 02694092

**PEARSON-HARPER LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2010**



**UNW LLP**

Chartered Accountants & Statutory Auditor  
Citygate  
St James' Boulevard  
Newcastle upon Tyne  
NE1 4JE

# PEARSON-HARPER LIMITED

## INDEPENDENT AUDITOR'S REPORT TO PEARSON-HARPER LIMITED

### UNDER SECTION 449 OF THE COMPANIES ACT 2006

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We have examined the abbreviated accounts, together with the financial statements of Pearson-Harper Limited for the year ended 31 December 2010 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditor's 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 for our work, for this report, or for the opinions we have formed.

#### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

#### BASIS OF OPINION

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider 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.

#### OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Citygate  
St James' Boulevard  
Newcastle upon Tyne  
NE1 4JE

29 September 2011



Andrew Wilson BA FCA (Senior Statutory Auditor)  
For and on behalf of  
UNW LLP  
Chartered Accountants  
& Statutory Auditor

# PEARSON-HARPER LIMITED

## ABBREVIATED BALANCE SHEET

31 DECEMBER 2010

|   | Note     | 2010<br>£        | 2009<br>£        |
|---|----------|------------------|------------------|
| <b>FIXED ASSETS</b>                                   | <b>2</b> |                  |                  |
| Tangible assets                                       |          | 185,063          | 44,400           |
| Investments   |          | 50               | -                |
|   |          | <u>185,113</u>   | <u>44,400</u>    |
| <b>CURRENT ASSETS</b>                                 |          |                  |                  |
| Stocks  |          | -                | 1,000            |
| Debtors   |          | 1,028,246        | 656,524          |
| Cash at bank and in hand                              |          | 389,435          | 479,892          |
|   |          | <u>1,417,681</u> | <u>1,137,416</u> |
| <b>CREDITORS: Amounts falling due within one year</b> |          | <u>(530,240)</u> | <u>(459,451)</u> |
| <b>NET CURRENT ASSETS</b>                             |          | <u>887,441</u>   | <u>677,965</u>   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |          | <u>1,072,554</u> | <u>722,365</u>   |
| <b>PROVISIONS FOR LIABILITIES</b>                     |          | <u>(23,624)</u>  | <u>(2,534)</u>   |
|   |          | <u>1,048,930</u> | <u>719,831</u>   |
| <b>CAPITAL AND RESERVES</b>                           |          |                  |                  |
| Called-up equity share capital                        | 3        | 100              | 100              |
| Profit and loss account                               |          | 1,048,830        | 719,731          |
| <b>SHAREHOLDERS' FUNDS</b>                            |          | <u>1,048,930</u> | <u>719,831</u>   |

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These abbreviated accounts were approved by the directors and authorised for issue on 29 September 2011, and are signed on their behalf by



MS A HAYWARD

Company Registration Number 02694092

The notes on pages 3 to 5 form part of these abbreviated accounts

# PEARSON-HARPER LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2010

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### 1 ACCOUNTING POLICIES

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

#### **Turnover**

The turnover shown in the profit and loss account represents amounts receivable during the year, exclusive of Value Added Tax

#### **Fixed assets**

All fixed assets are initially recorded at cost

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

|                     |   |
|---------------------|---|
| Fixtures & Fittings | - 33% on cost and 15% on reducing balance |
| Motor Vehicles      | - 25% reducing balance                    |

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

#### **Finance lease agreements**

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### **Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

#### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

# PEARSON-HARPER LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2010

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### 1. ACCOUNTING POLICIES *(continued)*

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted 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 the transaction. Exchange differences are taken into account in arriving at the operating profit

#### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

### 2. FIXED ASSETS

|                            | <b>Tangible<br/>Assets<br/>£</b> | <b>Investments<br/>£</b> | <b>Total<br/>£</b> |
|----------------------------|----------------------------------|--------------------------|--------------------|
| <b>COST</b>                |                                  |                          |                    |
| At 1 January 2010          | 343,640                          | —                        | 343,640            |
| Additions                  | 180,814                          | 50                       | 180,864            |
| Disposals                  | (13,005)                         | —                        | (13,005)           |
| <b>At 31 December 2010</b> | <b>511,449</b>                   | <b>50</b>                | <b>511,499</b>     |
| <b>DEPRECIATION</b>        |                                  |                          |                    |
| At 1 January 2010          | 299,240                          | —                        | 299,240            |
| Charge for year            | 38,925                           | —                        | 38,925             |
| On disposals               | (11,779)                         | —                        | (11,779)           |
| <b>At 31 December 2010</b> | <b>326,386</b>                   | <b>—</b>                 | <b>326,386</b>     |
| <b>NET BOOK VALUE</b>      |                                  |                          |                    |
| <b>At 31 December 2010</b> | <b>185,063</b>                   | <b>50</b>                | <b>185,113</b>     |
| At 31 December 2009        | 44,400                           | —                        | 44,400             |

# PEARSON-HARPER LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2010

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### 2 FIXED ASSETS *(continued)*

#### Subsidiary undertakings

The company owns 100% of the 100 ordinary shares issued of AUD\$1 each in the companies listed below

|                                       | 2010<br>£ | 2009<br>£ |
|---------------------------------------|-----------|-----------|
| <b>Aggregate capital and reserves</b> |           |           |
| Pearson-Harper Pty Limited            | 50        | —         |
| <b>Profit / (loss) for the year</b>   |           |           |
| Pearson-Harper Pty Limited            | —         | —         |

Pearson-Harper Pty Limited is incorporated in Australia

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity

### 3 SHARE CAPITAL

#### Authorised share capital:

|                                | 2010<br>£  | 2009<br>£  |
|--------------------------------|------------|------------|
| 100 Ordinary shares of £1 each | <u>100</u> | <u>100</u> |

#### Allotted, called up and fully paid

|                                | 2010       |            | 2009       |            |
|--------------------------------|------------|------------|------------|------------|
|                                | No         | £          | No         | £          |
| 100 Ordinary shares of £1 each | <u>100</u> | <u>100</u> | <u>100</u> | <u>100</u> |

### 4. ULTIMATE CONTROLLING PARTY

It is the view of the directors of the company that the ultimate controlling party of the company is Mr S Harper by virtue of him being the majority shareholder