COMPANY REGISTRATION NUMBER 03701422

PROACTIVE SELECTION LTD

UNAUDITED FINANCIAL STATEMENTS

31 MARCH 2009

PROACTIVE SELECTION LTD

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2009

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PROACTIVE SELECTION LTD

COMPANY INFORMATION

The board of directors	B Farzad S C Farzad
Company secretary	S C Farzad
Registered office	23 High Path Road Guilford Surrey GU1 2QG
Accountants	Rothman Pantall LLP Chartered Accountants 2nd Floor Old Inn House 2 Carshalton Road Sutton Surrey SM1 4RA

PROACTIVE SELECTION LTD

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2009

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 31 March 2009.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year continued to be that of recruitment, training and supply of permanent and temporary staff.

DIRECTORS

The directors who served the company during the year were as follows:

B Farzad
S C Farzad

DONATIONS

During the year the company made the following contributions:

	2009	2008
	£	£
Charitable	201	-

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
23 High Path Road
Guilford
Surrey
GU1 2QG

Signed by order of the directors

SFarzad.

S C FARZAD
Company Secretary

Approved by the directors on 12/01/10

PROACTIVE SELECTION LTD

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF PROACTIVE SELECTION LTD

YEAR ENDED 31 MARCH 2009

In accordance with the engagement letter dated 12 August 2009, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the Profit and Loss Account, Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales 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 March 2009 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. 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 of the financial statements. 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 financial statements.

Rothman Pantall LLP

ROTHMAN PANTALL LLP
Chartered Accountants

2nd Floor
Old Inn House
2 Carshalton Road
Sutton
Surrey
SM1 4RA

13/01/10.

PROACTIVE SELECTION LTD

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2009

	Note	2009 £	2008 *(restated)* £
TURNOVER		**554,093**	813,751
Cost of sales		**457,317**	694,648
GROSS PROFIT		**96,776**	119,103
Administrative expenses		**103,588**	90,388
Other operating income	2	**–**	(4,972)
OPERATING (LOSS)/PROFIT	3	**(6,812)**	33,687
Interest receivable		**1,566**	4,974
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		**(5,246)**	38,661
Tax on (loss)/profit on ordinary activities	5	**(665)**	7,910
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		**(4,581)**	30,751

The notes on pages 6 to 11 form part of these financial statements.

PROACTIVE SELECTION LTD

BALANCE SHEET

31 MARCH 2009

	Note	2009 £	2009 £	2008 (restated) £	2008 (restated) £
FIXED ASSETS					
Tangible assets	8		1,962		5,147
Investments	9		40		–
			2,002		5,147
CURRENT ASSETS					
Debtors due within one year	10	94,267		147,121	
Debtors due after one year	10	39,960		–	
Cash at bank		67,213		80,753	
		201,440		227,874	
CREDITORS: Amounts falling due within one year	11	89,490		60,488	
NET CURRENT ASSETS			111,950		167,386
TOTAL ASSETS LESS CURRENT LIABILITIES			113,952		172,533
CAPITAL AND RESERVES					
Called-up equity share capital	15		2		2
Profit and loss account	16		113,950		172,531
SHAREHOLDERS' FUNDS			113,952		172,533

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

(i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and

(ii) 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 section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

These financial statements were approved by the directors and authorised for issue on 22/01/10....., and are signed on their behalf by:

B FARZAD
Director

The notes on pages 6 to 11 form part of these financial statements.

PROACTIVE SELECTION LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2009

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 January 2007).

Turnover

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

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	-	25% Straight Line, per annum
Office Furniture & Equipment	-	33.3% Straight Line, per annum

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.

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.

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

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

PROACTIVE SELECTION LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2009

1. ACCOUNTING POLICIES *(continued)*

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Fixed asset investments are stated at cost.

2. OTHER OPERATING INCOME

	2009	2008 *(restated)*
	£	£
Other operating income	–	4,972

3. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging:

	2009	2008 *(restated)*
	£	£
Depreciation of owned fixed assets	3,185	2,802

4. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2009	2008 *(restated)*
	£	£
Aggregate emoluments	25,865	25,450

PROACTIVE SELECTION LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2009

5. TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the year

	2009	2008 *(restated)*
	£	£
Current tax:		
UK Corporation tax based on the results for the year	(665)	7,910
Total current tax	(665)	7,910

6. DIVIDENDS

Equity dividends

	2009	2008 *(restated)*
	£	£
Paid during the year:		
Equity dividends on ordinary shares	54,000	74,800

7. PRIOR YEAR ADJUSTMENT

A prior year adjustment has been done to restate the work in progress balance to debtors classified as 'amounts recoverable on long term contracts', as required by UITF abstract 40.

8. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £	Office Furniture & Equipment £	Total £
COST			
At 1 April 2008 and 31 March 2009	472	10,304	10,776
DEPRECIATION			
At 1 April 2008	20	5,609	5,629
Charge for the year	118	3,067	3,185
At 31 March 2009	138	8,676	8,814
NET BOOK VALUE			
At 31 March 2009	334	1,628	1,962
At 31 March 2008	452	4,695	5,147

PROACTIVE SELECTION LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2009

9. INVESTMENTS

	Unlisted holdings
	£
INVESTMENT	
Additions	40
At 31 March 2009	40
NET BOOK VALUE	
At 31 March 2009	40
At 31 March 2008	-

The company owns 40% of the issued share capital of the company listed below,

Aggregate capital and reserves	
Cutebitz Limited	100
Profit and (loss) for the year	
Cutebitz Limited	(6,526)

10. DEBTORS

	2009	2008 *(restated)*
	£	£
Trade debtors	–	11,901
Corporation tax repayable	665	–
VAT recoverable	–	1,282
Work done not invoiced	62,380	52,255
Other debtors payable in more than 1 year	39,960	–
Other debtors	31,222	–
Directors current accounts	–	81,683
	134,227	147,121

The debtors above include the following amounts falling due after more than one year:

	2009	2008 *(restated)*
	£	£
Trade debtors	39,960	–

PROACTIVE SELECTION LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2009

11. CREDITORS: Amounts falling due within one year

	2009		2008 *(restated)*	
	£	£	£	£
Trade creditors		54,204		–
Other creditors including taxation and social security:				
Corporation tax	–		7,910	
PAYE and social security	1,411		2,137	
VAT	607		–	
Directors current accounts	26,577		–	
Other creditors	845		2,383	
Accruals and deferred income	5,846		48,058	
		35,286		60,488
		89,490		60,488

12. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2009 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

	2009	2008 *(restated)*
	£	£
Operating leases which expire:		
Within 2 to 5 years	2,550	2,550

13. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

There were no capital commitments or contingent liabilities as at 31 March 2009. (2008 - nil.)

14. RELATED PARTY TRANSACTIONS

At the year end Proactive Selection Limited was owed £59,960 (2008 - nil) from Cutebitz Limited. Proactive Selection Limited own 40% of the shares in Cutebitz Ltd.

At the year end Proactive Selection limited was owed £4,713 (2008 - nil) from A Farzad. A Farzad is the directors' son.

During the year Proactive Selection Limited paid £12,000 to the directors for rent(2008- £12,000).

15. SHARE CAPITAL

Authorised share capital:

	2009	2008 *(restated)*
	£	£
100 Ordinary shares of £1 each	100	100

15. SHARE CAPITAL *(continued)*

Allotted, called up and fully paid:

	2009		2008 *(restated)*	
	No	£	No	£
Ordinary shares of £1 each	2	2	2	2

16. PROFIT AND LOSS ACCOUNT

	2009	2008 *(restated)*
	£	£
Balance brought forward	172,531	216,580
(Loss)/profit for the financial year	(4,581)	30,751
Equity dividends	(54,000)	(74,800)
Balance carried forward	113,950	172,531

17. ULTIMATE CONTROLLING PARTY

B and S C Farzad, acting in concert, are the controlling party.

18. DEFERRED TAXATION

There is no potential liability for taxation for the year ended 31 March 2009 (2008 - nil).