

**publicservice.co.uk Limited**  
**(Formerly known as PSCA International Limited)**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

**Registered number: 04521155**

**SATURDAY**



**\*A10A3WLX\***  
**A34 22/12/2012 #291**  
**COMPANIES HOUSE**

**publicservice.co.uk Limited**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2011**

---

<b>CONTENTS</b>	<b>PAGE</b>
Officers and professional advisers	1
Directors' report	2
Independent auditors' report	5
Profit and loss account	7
Statement of total recognised gains and losses	8
Balance sheet	9
Notes to the financial statements	10

---

**publicservice.co.uk Limited**  
**OFFICERS AND PROFESSIONAL ADVISERS**  
**YEAR ENDED 31 DECEMBER 2011**

---

**Board of directors**

G Warrender  
W Yilmaz  
J Cooling

**Company secretary**

L Jones

**Registered office**

Ebenezer House  
Ryecroft  
Newcastle under Lyme  
Staffordshire  
ST5 2UB

**Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
101 Barbirolli Square  
Lower Mosley Street  
Manchester  
M2 3PW

**publicservice.co.uk Limited**  
**DIRECTORS' REPORT (CONTINUED)**  
**YEAR ENDED 31 DECEMBER 2011**

---

The directors present their report and the audited financial statements of the company for the year ended 31 December 2011

**Principal activities**

The principal activity of the company is the provision of business information for central and local government. It delivers this information across a number of platforms, including quarterly, half-yearly and annual magazines, conferences and forums, and websites.

**Business Review & Name Change**

During the year under review, the company produced a satisfactory performance with a modest increase in cash generation over the prior year against a backdrop of continuing falls in government spending and a hardening business environment.

Continuing the strategy adopted in previous years, the company has maintained a strong interactive relationship with customers and readers to rapidly supply content and events relevant to current events.

Further progress was made in lowering the cost of delivery of content and we expect this transition to continue throughout the next year.

Our Events division performed well in delivering an increase in margin on lower activity.

In order to reflect the progression of the business into more online activities, the company name was changed on 8 March 2011 to publicservice.co.uk Limited.

**Future developments**

We will continue to explore further reductions in the cost of delivery and also expand our digital offerings via our websites. Further effort will be made to create new information for our customers and support their efforts in dealing with local and central government.

**Key performance Indicators (KPI's)**

The directors consider that turnover, operating profit, and EBITDA are key performance indicators of the group. These measures can be derived from the following financial statements:

**Financial risk management**

The company makes little use of financial instruments other than operational bank accounts and loans. Its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

The directors have assessed the main risks facing the company as being a down-turn in the economy impacting on advertising generally or from an impact following the reduction in government spending. However, the directors have found in the past that advertising targeted at the public sector, on which the business is focused, has not necessarily followed the general trend when commercial advertising revenues have fallen.

**Going Concern**

Since the year end, the group's trading has not met expectations with the result that the parent company has breached banking covenants and continues to be in breach of covenants at the time of signing the accounts.

The directors have prepared detailed forecasts, at a consolidated level, for the period to 31 December

---

**publicservice.co.uk Limited**  
**DIRECTORS' REPORT (CONTINUED)**  
**YEAR ENDED 31 DECEMBER 2011**

---

2014 and outline forecasts through to 31 December 2017

The forecasts show the group continuing to generate cash to service the interest costs but requiring a restructuring of the capital repayment schedule and revised covenants

The group is in discussion with Royal Bank of Scotland plc to agree new banking terms providing more headroom and flexibility. Discussions with the bank have been positive and the Directors believe that they will be concluded to the satisfaction of both parties

In view of the above the directors believe that, for the foreseeable future due to the continued support from Royal Bank of Scotland plc, who have a significant shareholding in the parent company, the group will be able to meet all of its obligations as they fall due and accordingly continue to prepare financial statements on the going concern basis

#### **Results and dividends**

The trading result for the year under review and the company's financial position at the year end are shown in the attached financial statements. No dividends were paid in the year (2010 £nil)

#### **Donations**

During the year, the company made charitable donations of £1,376 (2010 £10,300)

#### **Directors**

The directors who served the company during the year and up to the date of signing the financial statements, unless otherwise stated, were as follows

G Warrender  
W Yilmaz  
J Cooling  
J K Turner (resigned 14 November 2011)

#### **Qualifying third party indemnity provision**

The company has in place directors' and officers' liability insurance, insuring past, present and future directors and officers of the company against certain liabilities incurred in that capacity. The premium payable for 2011 was £4,933 (year ended 31 December 2010 £4,887). The qualifying third party indemnity was in force during the financial year and at the date of approval of the financial statements

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

The directors are responsible for preparing the Directors' Report and 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

**publicservice.co.uk Limited**  
**DIRECTORS' REPORT (CONTINUED)**  
**YEAR ENDED 31 DECEMBER 2011**

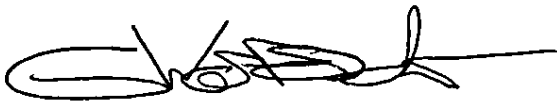
---

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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.

In accordance with Section 418, directors' reports shall include a statement, in the case of each director in office at the date the directors' report is approved, that

- (a) so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (b) he 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.

Signed on behalf of the Board



G Warrender  
**Director**

20 December 2012

20/12/12

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
publicservice.co.uk Limited**

**YEAR ENDED 31 DECEMBER 2011**

---

We have audited the financial statements of publicservice co uk Limited for the year ended 31 December 2011 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of directors' responsibilities, set out on page 3 and 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Emphasis of matter - going concern**

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1 to the financial statements, concerning the company's ability to continue as a going concern. The group is in the process of negotiating committed facilities and new covenants with the group's bankers. While the directors expect to reach agreements with the bank, as an agreement with the bank has yet to be reached this indicates the existence of a material uncertainty which may cast significant doubt upon the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the group and company were unable to continue as a going concern.

publicservice.co.uk Limited

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
publicservice.co.uk Limited**

**YEAR ENDED 31 DECEMBER 2011**

---

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

*PricewaterhouseCoopers WP*

Martin Heath (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Manchester

20 December 2012



**publicservice.co.uk Limited**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2011**

---

	Note	2011 £	2010 Restated £
<b>Turnover</b>	2	11,550,421	11,574,296
Cost of sales		<u>(7,741,359)</u>	<u>(7,841,928)</u>
<b>Gross profit</b>		3,809,062	3,732,368
Distribution expenses		(193,705)	(286,173)
Administrative expenses		<u>(2,668,855)</u>	<u>(2,779,973)</u>
<b>Operating profit</b>	3	946,502	666,222
Interest receivable and similar income	6	<u>167,049</u>	<u>83,743</u>
<b>Profit on ordinary activities before taxation</b>		1,113,551	749,965
Tax on profit on ordinary activities	7	<u>33,309</u>	<u>(147,786)</u>
<b>Profit for the financial year</b>	17	<u>1,146,860</u>	<u>602,179</u>

All of the activities of the company are classed as continuing

The accounting policies and notes on pages 10 to 18 form part of these financial statements

publicservice.co.uk Limited

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

YEAR ENDED 31 DECEMBER 2011

---

	2011	2010
	£	Restated £
Net profit for the financial year	1,146,860	602,179
<b>Total recognised gains and losses relating to the year</b>	<b>1,146,860</b>	<b>602,179</b>
Prior year adjustment	(1,233,997)	0
<b>Total gains and losses recognised since last annual report</b>	<b>87,137</b>	<b>602,179</b>

---

There are no material differences between the profit on ordinary activities before taxation and the retained profit for the years stated above and their historical cost equivalents

publicservice.co.uk Limited


BALANCE SHEET

YEAR ENDED 31 DECEMBER 2011

	Note	2011		2010 Restated	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	8		2,891,521		3,154,969
Tangible assets	9		76,282		80,805
Investment	10		1		1
			<u>2,967,804</u>		<u>3,235,775</u>
<b>Current assets</b>					
Work in progress		196,171		302,590	
Debtors	11	5,753,911		4,038,928	
Cash at bank and in hand		<u>529,162</u>		<u>672,456</u>	
		6,479,244		5,013,974	
<b>Creditors: amounts falling due within one year</b>	12	<u>(3,327,197)</u>		<u>(3,276,758)</u>	
<b>Net current assets</b>			<u>3,152,047</u>		<u>1,737,216</u>
<b>Total assets less current liabilities</b>			<u>6,119,851</u>		<u>4,972,991</u>
<b>Creditors: amounts falling due after more than one year</b>	13		<u>(291,900)</u>		<u>(291,900)</u>
<b>Net assets</b>			<u>5,827,951</u>		<u>4,681,091</u>
<b>Capital and reserves</b>					
Called up share capital	15		10,000		10,000
Share premium account	16		1,439,466		1,439,466
Capital redemption reserve	16		585,000		585,000
Profit and loss reserve	16		<u>3,793,485</u>		<u>2,646,625</u>
<b>Total shareholders' funds</b>	17		<u>5,827,951</u>		<u>4,681,091</u>

These financial statements on pages 7 to 18 were approved by the board of directors on 20 December 2012 and were signed on its behalf by

G Warrender  
Director



Registered no 04521155

20/12/12

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2011**

---

**1. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on a going concern basis, under the historical cost convention, in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year unless otherwise stated, are summarised below.

**Going Concern**

Since the year end, the group's trading has not met expectations with the result that the parent company has breached its banking covenants and continues to be in breach of covenants at the time of signing the accounts.

The directors have prepared detailed forecasts for the period to 31 December 2014 and outline forecasts through to 31 December 2017.

The forecasts show the group continuing to generate cash to service the interest costs but requiring a restructuring of the capital repayment schedule and revised covenants in order to guarantee its ability to trade in line with the forecasts.

The group is in discussion with Royal Bank of Scotland plc to agree new banking terms providing more headroom and flexibility. Discussions with the bank have been positive and the Directors believe that they will be concluded to the satisfaction of both parties.

In view of the above the directors believe that, for the foreseeable future due to the continued support from Royal Bank of Scotland plc, the group will be able to meet all its obligations as they fall due and that it remains appropriate to prepare the financial statements on a going concern basis. However, a material uncertainty exists surrounding the reset of the group's covenants, which casts doubt on the entity's ability to continue as a going concern and which has resulted in the presentation of an emphasis of matter within the audit report.

**Turnover**

Turnover represents the invoiced value of goods and services supplied by the company, net of value added tax. Turnover is recognised on publication or running of events. Web and data turnover is recognised over the period in which the service is being provided.

**Change of accounting policy**

The results reflect a change in the company's accounting policy for the recognition of turnover from web and data sales. In previous years, this turnover has been recognised on initial provision of the service, however in the year the directors consider that it is more appropriate to recognise this revenue over the period in which the service is being provided. The cumulative impact of the deferral of revenue from previous periods has been recognised in the accounts as a prior year adjustment and comparative figures for 2010 have been restated. The effect of implementing this new accounting policy was to reduce operating profit for the year by £428,212 (2010 £584,329 and 2009 £639,668), to reduce the closing value of reserves at 31 December 2011 by £428,212 (2010 £584,329 and 2009 £639,668).

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2011**

---

**Goodwill**

Goodwill arising on acquisition represents the excess of fair value of consideration over the fair value of identifiable net assets acquired and is amortised over 20 years, which is considered to be the useful economic life of goodwill. The company evaluates the carrying value of goodwill when there is an indicator of impairment.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at historical purchase cost, net of accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of items. Depreciation is calculated so as to write off the cost of fixtures and fittings net of anticipated disposal proceeds, evenly over their useful economic life at 33% per annum.

**Fixed asset investments**

Investments in subsidiary undertakings are recorded at cost less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

**Work in progress**

Work in progress is valued on the basis of direct cost. Provision is made for any foreseeable losses where appropriate. All basic salary cost and associated national insurance costs are charged to the profit and loss account as incurred. Only commission based salary costs are deferred.

**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.

**Taxation**

Corporation tax is provided on the assessable profits of the company at the appropriate current tax rates.

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

**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.

**Cash flow statements**

The company is a wholly owned subsidiary of PSCA Holdings Limited, which produces consolidated financial statements that are publicly available. Consequently, the company is exempt from the requirement of FRS 1 "Cash flow statements" (Revised 1996) to prepare a cash flow statement.

**Related party transactions**

The directors have taken advantage of FRS 8 and have not chosen to disclose transactions with entities that are part of the PSCA Holdings Group.

**2. Turnover**

The turnover is attributable to the principal activity of the company which is carried out from the UK. A geographical analysis of turnover is given below.

	2011	2010
	£	Restated £
United Kingdom	7,738,782	8,333,494
Europe	3,696,135	3,125,057
North America	69,302	81,021
Rest of the World	46,202	34,724
	<u>11,550,421</u>	<u>11,574,296</u>

**3. Operating profit**

Operating profit is stated after charging:

	2011	2010
	£	£
Amortisation of intangibles	263,448	263,448
Depreciation of owned tangible fixed assets	64,603	55,404
Net loss on foreign currency translation	13,722	13,644
Operating lease costs	258,419	279,215
<b>Services provided by the company's auditor</b>		
Fees payable for the audit	24,181	22,500
Fees payable for other services – tax compliance	6,000	22,500

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

4. Particulars of employees

The average monthly number of persons (including executive directors) employed by the company, analysed by category, during the year was

	2011 No	2010 No
Distribution staff	161	137
Administration staff	36	50
	<u>197</u>	<u>187</u>

The aggregate payroll costs of the above were

	2011 £	2010 £
Wages and salaries	6,402,071	6,074,123
Social security costs	665,124	638,336
Other pension costs (note 18)	99,659	91,257
	<u>7,166,854</u>	<u>6,803,716</u>

5. Directors' emoluments

The directors' aggregate emoluments in respect of qualifying services were

	2011 £	2010 £
Emoluments receivable	481,085	405,750
Compensation for loss of office	30,000	-
Value of company pension contributions to money purchase schemes	12,089	11,076
	<u>523,174</u>	<u>416,826</u>

Emoluments of the highest paid director

	2011 £	2010 £
Emoluments receivable	185,029	200,000
Value of company pension contributions to money purchase schemes	4,524	3,852
	<u>189,553</u>	<u>203,852</u>

The number of directors who accrued benefits under company pension schemes during the year was 3 (2010 3)

6. Interest receivable and similar income

	2011 £	2010 £
Bank interest	2,049	2,185
Interest receivable from parent undertaking	165,000	81,000
Corporation tax interest receivable	-	558
	<u>167,049</u>	<u>83,743</u>

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

## 7. Tax on profit on ordinary activities

	2011	2010
	£	£
<b>Current tax</b>		
UK corporation tax on profits of the year	-	148,173
Adjustment in respect of previous years	<u>6,766</u>	<u>(1,218)</u>
Total current tax	6,766	146,955
<b>Deferred tax</b>		
Origination and reversal of timing differences	(40,216)	(442)
Change in tax rate	141	54
Adjustment in respect of previous years	-	1,219
Total deferred tax (note 11)	<u>(40,075)</u>	<u>831</u>
<b>Tax on profit on ordinary activities</b>	<u>(33,309)</u>	<u>147,786</u>

The tax assessed for the year is lower (2010 lower) than the standard effective rate of corporation tax in the UK for the year ended 31 December 2011 of 26.5% (2010 28%). The differences are explained below

	2011	2010
	£	Restated £
<b>Profit on ordinary activities before taxation</b>	<u>1,113,551</u>	<u>749,965</u>
Profit on ordinary activities multiplied by the standard rate in the UK of 26.5% (2010 28%)	295,091	209,990
Effects of		
Other permanent differences	74,164	248,552
Change in accounting policy	(324,360)	-
Accelerated capital allowances	40,849	351
Other timing differences	1,781	91
Impact of change in tax rate		16
Group relief claimed	(87,525)	(310,827)
Adjustment in respect of previous years	<u>6,766</u>	<u>(1,218)</u>
<b>Total current tax charge</b>	<u>6,766</u>	<u>146,955</u>

**Factors that may affect future tax charges:**

Based on current capital investment plans, the group expects to continue to be able to claim capital allowances in excess of depreciation in future periods at a similar level to the current year

The main rate of corporation tax was reduced from 28% to 26% from 1 April 2011. A further reduction to 25% from 1 April 2012 was substantively enacted on 5 July 2011. A further announcement was made in the 2012 Budget on 21 March 2012 that the rate would reduce to 24% with effect from 1 April 2012. This rate reduction was substantively enacted on 26 March 2012 and the deferred tax asset at 31 March 2012 has been re-measured accordingly.

This announcement also included provisions to reduce the main rate of corporation tax by further



**publicservice.co.uk Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2011**

---

**7 Tax on profit on ordinary activities (continued)**

1% reductions per annum to 22% by 1 April 2014. The changes had not been substantively enacted at the balance sheet date and therefore are not recognised in these financial statements

**8. Intangible assets**

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 January and 31 December 2011	<u>5,268,954</u>
<b>Accumulated amortisation</b>	
At 1 January 2011	2,113,985
Charge for the year	<u>263,448</u>
<b>At 31 December 2011</b>	<u><b>2,377,433</b></u>
Net book value	
<b>At 31 December 2011</b>	<u><b>2,891,521</b></u>
At 31 December 2010	<u>3,154,969</u>

**9. Tangible assets**

	<b>Fixtures &amp; fittings £</b>
<b>Cost</b>	
At 1 January 2011	393,757
Additions	<u>60,080</u>
<b>At 31 December 2011</b>	<u><b>453,837</b></u>
<b>Accumulated depreciation</b>	
At 1 January 2011	312,952
Charge for the year	<u>64,603</u>
<b>At 31 December 2011</b>	<u><b>377,555</b></u>
Net book value	
<b>At 31 December 2011</b>	<u><b>76,282</b></u>
At 31 December 2010	<u>80,805</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

10. Fixed asset investment

Subsidiary undertaking	£
<b>Cost and net book value</b>	
At 1 January 2011 and 31 December 2011	<u>1</u>

The company owns 100% of the ordinary share capital of Public Servant Limited, a company incorporated in England and Wales. At the year end, net assets of Public Servant Limited were £291,901 (2010 £291,901)

The directors believe that the carrying value of the investments is supported by their underlying net assets

11. Debtors

	2011 £	2010 £
Trade debtors	1,521,401	1,790,798
Amounts owed by group undertakings	4,035,761	2,058,506
Amounts owed by related parties (note 19)	595	23,344
Deferred tax asset	41,981	1,906
Other debtors	20,259	35,145
Prepayments and accrued income	133,914	129,229
	<u>5,753,911</u>	<u>4,038,928</u>

Deferred tax asset

	£
1 January 2011	1,906
Taxation charge for the year	40,075
<b>31 December 2011</b>	<u>41,981</u>

Analysis of deferred tax balance

	2011 £	2010 £
Depreciation in excess of capital allowances	38,459	(84)
Pensions	3,522	1,990
<b>Deferred tax asset</b>	<u>41,981</u>	<u>1,906</u>

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

**12. Creditors: amounts falling due within one year**

	2011	2010
	£	Restated £
Trade creditors	359,312	454,910
Corporation tax creditor	11,155	90,173
Taxation and social security	506,224	549,970
Other creditors	348,535	246,917
Accruals and deferred income	2,101,971	1,934,788
	<u>3,327,197</u>	<u>3,276,758</u>

**13. Creditors: amounts falling due after more than one year**

	2011	2010
	£	£
Amounts owed to group undertakings	<u>291,900</u>	<u>291,900</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand

**14. Commitments under operating leases**

At 31 December 2011, the company had annual commitments under non-cancellable operating leases in respect of land and buildings as set out below

	2011	2010
	£	£
Operating leases which expire		
Within one year	51,000	44,000
Within two to five years	636,707	235,215
After more than five years	-	-
	<u>687,707</u>	<u>279,215</u>

**15. Called up share capital**

Allotted and fully paid	2011		2010
	£	Number	£
<b>Classified as shareholders' funds</b>			
10,000 (2010 10,000) ordinary shares of £1.00 each	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

The rights and restrictions attaching to each class of share can be found in the Articles of Association of the company

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

16. Reserves

	Share Premium Account £	Capital Redemption Reserve £	Profit & Loss Reserve £
At 1 January 2010 restated	1,439,466	585,000	2,044,446
Profit for the 2010 financial year	-	-	602,179
<b>At 31 December 2010 restated</b>	<b><u>1,439,466</u></b>	<b><u>585,000</u></b>	<b><u>2,646,625</u></b>
At 1 January 2011 restated	1,439,466	585,000	2,646,625
Profit for the 2011 financial year (note 17)	-	-	1,146,860
<b>31 December 2011</b>	<b><u>1,439,466</u></b>	<b><u>585,000</u></b>	<b><u>3,793,485</u></b>

17. Reconciliation of movements in shareholders' funds

	2011 £
Opening shareholders' funds as previously stated	5,905,088
Prior year adjustment to 2009	(639,668)
Prior year adjustment to 2010	(584,329)
Opening shareholders' funds as restated	<u>4,681,091</u>
Profit for the financial year	1,146,860
<b>Closing shareholders' funds</b>	<b><u>5,827,951</u></b>

18. Pensions

The company operates a defined contribution scheme. The pension cost for the year was £99,659 (2010 £91,257). At year end there was £13,083 (2010 £7,371) of contributions outstanding.

19. Related party transactions

Between June and December 2011, a director, G Warrender, borrowed a total of £595 from publicservice.co.uk Limited and this amount remained outstanding at the year end. The loan has been repaid in full on 25 April 2012.

20. Immediate and ultimate parent undertaking

The immediate and ultimate parent undertaking is PSCA Holdings Limited, a company incorporated in England and Wales, and this is the largest and smallest undertaking to consolidate the results of PSCA International Limited. The directors are of the opinion that there is no overall controlling party.

Copies of PSCA Holdings Limited financial statements can be obtained from the registered office at Ebenezer House, Ryecroft, Newcastle under Lyme, Staffordshire, ST5 2UB.