

PROJECT FRAMING LTD
REPORT AND ACCOUNTS
30 JUNE 2009

RAWSE, VARLEY & CO
Chartered Accountants
Bradford

PROJECT FRAMING LTD

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PROJECT FRAMING LTD

Director	R Bremner
Secretary	L D Bremner
Registered office	112 Power Road Chiswick London W4 5PN
Bankers	HSBC Bank plc 133 Regent Street London W1A 4BQ
Accountants	Rawse, Varley & Co Chartered Accountants Lloyds Bank Chambers Hustlergate Bradford BD1 1UQ
Company No.	2730976

PROJECT FRAMING LTD**DIRECTOR'S REPORT**

The director presents his report and the accounts for the year ended 30 June 2009.

Principal activity

The principal activity of the company is picture framing.

Result and dividend

The profit after taxation for the year amounted to £162,478.

The director does not recommend the payment of a dividend for the year.

Directors

Mr R Bremner is the current director and served throughout the year. Mr D G Dalby also served as a director until his death on 24 October 2008.

The director's report has been prepared taking advantage of the small companies exemption contained in section 415A of the Companies Act 2006.

R BREMNER
Director

30 April 2010

PROJECT FRAMING LTD**CHARTERED ACCOUNTANTS' REPORT****to the director on the unaudited accounts of Project Framing Ltd**

In accordance with the engagement letter dated 17 March 2005 and in order to assist you to fulfil your duties under the Companies Act 2006, we have compiled the accounts of the company for the year ended 30 June 2009 which comprise the profit and loss account, the 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 director in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the accounts that we have been engaged to compile, report to the company's director that we have done so, and state those matters that we have agreed to state to him 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 director 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 accounts.

You have acknowledged on the balance sheet as at 30 June 2009 your duty to ensure that the company has kept proper accounting records and to prepare accounts that give a true and fair view under the Companies Act 2006. 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 accounts. 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 accounts.



RAWSE, VARLEY & CO
Chartered Accountants
Bradford

30 April 2010

PROJECT FRAMING LTD**ACCOUNTING POLICIES**

The company has adopted the following accounting policies which form an integral part of the accounts.

Accounting convention

The accounts are prepared under the historical cost convention.

Turnover

Turnover represents the invoice value of goods and services supplied, less returns, excluding value added tax.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is calculated to write off the assets to their estimated residual values by the end of their useful lives at the following annual rates:

Plant and machinery	– 25% of book value
Furniture, fittings and equipment	– 20% and 25% of book value
Motor vehicles	– 25% of book value

Stock and work in progress

Stock and work in progress are stated at the lower of cost and estimated net realisable value. In the case of work in progress cost includes an appropriate proportion of manufacturing overheads.

Hire purchase and finance leases

Assets held under hire purchase and finance lease agreements are capitalised as tangible fixed assets and the corresponding liability to pay rentals is shown net of finance charges as hire purchase and finance lease obligations. The finance charge element of rentals is allocated so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

Deferred taxation

Provision is made at projected rates of corporation tax in respect of all timing differences between the recognition of gains and losses in the accounts and tax computations. Deferred taxation assets are recognised only to the extent that it is considered more likely than not that there will be suitable taxable profits in the future from which the underlying timing differences can be deducted.

PROJECT FRAMING LTD**PROFIT AND LOSS ACCOUNT**
Year ended 30 June 2009

	Note	2009 £	2008 £
Turnover		1,826,503	1,277,012
Cost of sales		947,508	694,651
Gross profit		878,995	582,361
Other operating income	-		10,000
Administrative expenses	661,705	661,705	528,707
Operating profit		217,290	63,654
Net interest (payable)/receivable	1	(213)	1,127
Profit on ordinary activities before taxation	2	217,077	64,781
Taxation	4	54,599	15,457
Profit on ordinary activities after taxation		162,478	49,324
Retained profit brought forward		317,511	268,187
Retained profit carried forward		<u>479,989</u>	<u>317,511</u>

All the components of operating profit relate to continuing operations.

There were no recognised gains or losses other than the profit for the year.

PROJECT FRAMING LTD**BALANCE SHEET****30 June 2009**

	Note	£	2009 £	£	2008 £
Net assets					
Fixed assets					
Tangible assets	5		71,203		79,999
Current assets					
Stock and work in progress	6	95,730		135,575	
Debtors	7	318,515		388,897	
Cash at bank and in hand		<u>313,115</u>		<u>75,007</u>	
		727,360		599,479	
Current liabilities					
Creditors falling due within one year	8	<u>278,753</u>		<u>316,553</u>	
Net current assets			<u>448,607</u>		<u>282,926</u>
Total assets less current liabilities			519,810		362,925
Creditors falling due after more than one year	9	16,839		22,318	
Provisions for liabilities					
Deferred taxation	10	<u>2,982</u>	<u>19,821</u>	<u>3,096</u>	<u>25,414</u>
			<u>499,989</u>		<u>337,511</u>
Financed by					
Capital and reserves					
Called up share capital	11		20,000		20,000
Profit and loss account			<u>479,989</u>		<u>317,511</u>
			<u>499,989</u>		<u>337,511</u>

For the year ended 30 June 2009 the company was entitled to exemption from audit under Section 477 (2) of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibility for:

- (i) ensuring the company keeps accounting records which comply with Section 386; and
- (ii) preparing accounts 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 393, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as is applicable to the company.

Approved on 30 April 2010

R BREMNER - Director

PROJECT FRAMING LTD

NOTES TO THE ACCOUNTS
30 June 2009

	2009 £	2008 £
1. Net interest (payable)/receivable		
Bank and other interest receivable	1,175	1,786
Hire purchase charges	-	(3)
Pension scheme loan payable	(1,388)	(656)
	<u>(213)</u>	<u>1,127</u>

2. Profit on ordinary activities before taxation

This is stated after charging:

Staff costs (note 3)	412,505	278,789
Depreciation	23,187	19,274
Operating lease charges – property lease	50,000	50,000
– equipment hire	<u>2,444</u>	<u>2,444</u>

3. Staff costs

(a) Staff costs comprise:		
Wages and salaries	374,036	252,923
Social security costs	37,926	25,326
Other pension costs	543	540
	<u>412,505</u>	<u>278,789</u>

The average number of persons employed during the year was 11 (2008 – 11).

(b) Directors' emoluments:		
Aggregate remuneration, including benefits in kind	<u>134,120</u>	<u>83,807</u>

Retirement benefits are accruing in respect of one director under a money purchase pension scheme.

PROJECT FRAMING LTD**NOTES TO THE ACCOUNTS****30 June 2009**

	2009	2008
	£	£
4. Taxation		
a) Analysis of charge for the year		
Current tax:		
UK corporation tax on the profit for the year	<u>54,713</u>	<u>6,975</u>
Deferred tax:		
Origination and reversal of timing differences	(114)	8,751
Change in rate of tax	-	(269)
	<u>(114)</u>	<u>8,482</u>
Tax charge on profit on ordinary activities	<u>54,599</u>	<u>15,457</u>
b) Factors affecting the current charge for the year		
The tax assessed for the year differs from the small companies rate of corporation tax applying at the year end of 21% as explained below.		
Profit on ordinary activities before taxation	<u>217,077</u>	<u>64,781</u>
Profit on ordinary activities at 21% (2008 – 21%)	45,586	13,604
Effects of:		
Expenses not deductible for tax purposes	2,186	2,381
Capital allowances less/(more) than depreciation	114	(2,573)
Tax losses utilised	-	(6,178)
Tax at higher/(lower) rate	6,827	(259)
	<u>54,713</u>	<u>6,975</u>
Current tax charge	<u>54,713</u>	<u>6,975</u>

PROJECT FRAMING LTD**NOTES TO THE ACCOUNTS****30 June 2009****5. Tangible fixed assets**

	Plant and machinery £	Furniture, fittings, and equipment £	Motor vehicles £	Total £
Cost:				
1 July 2008	121,394	96,421	59,497	277,312
Additions	5,163	9,228	-	14,391
	<hr/>	<hr/>	<hr/>	<hr/>
30 June 2009	<u>126,557</u>	<u>105,649</u>	<u>59,497</u>	<u>291,703</u>
Depreciation:				
1 July 2008	102,591	80,905	13,817	197,313
Charge for the year	5,992	5,775	11,420	23,187
	<hr/>	<hr/>	<hr/>	<hr/>
30 June 2009	<u>108,583</u>	<u>86,680</u>	<u>25,237</u>	<u>220,500</u>
Net book amounts:				
30 June 2009	<u>17,974</u>	<u>18,969</u>	<u>34,260</u>	<u>71,203</u>
30 June 2008	<u>18,803</u>	<u>15,516</u>	<u>45,680</u>	<u>79,999</u>
			2009 £	2008 £

6. Stock and work in progress

Materials and consumables	<u>95,730</u>	<u>135,575</u>
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7. Debtors

Trade debtors	288,354	366,613
Other debtors	11,361	4,093
Prepayments and accrued income	18,800	18,191
	<hr/>	<hr/>
	<u>318,515</u>	<u>388,897</u>

8. Creditors falling due within one year

Trade creditors	111,857	277,340
Corporation tax	50,233	930
Other taxation and social security	24,900	21,327
Pension scheme loan (note 9)	5,479	4,182
Director's current account	1,303	1,303
Accruals	84,981	11,471
	<hr/>	<hr/>
	<u>278,753</u>	<u>316,553</u>

PROJECT FRAMING LTD

NOTES TO THE ACCOUNTS
30 June 2009

		2009 £	2008 £
9.	Creditors falling due after more than one year		
	Pension scheme loan repayable within five years	22,318	26,500
	Less: falling due within one year	5,479	4,182
		<u>16,839</u>	<u>22,318</u>
10.	Deferred taxation		
	Opening balance	3,096	(5,386)
	(Credit)/charge to profit and loss account	(114)	8,482
		<u>2,982</u>	<u>3,096</u>
	Closing balance	<u>2,982</u>	<u>3,096</u>
	Comprising:		
	Capital allowances in excess of depreciation	<u>2,982</u>	<u>3,096</u>
11.	Share capital		
	Authorised:		
	50,000 shares of £1 each	<u>50,000</u>	<u>50,000</u>
	Allotted, called up and fully paid:		
	20,000 ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>
12.	Reconciliation of movements in shareholders' funds		
	Profit for the year	162,478	49,324
	Opening shareholders' funds	337,511	288,187
		<u>499,989</u>	<u>337,511</u>
13.	Operating lease commitments		
		Land and buildings	Equipment
		2009 £	2008 £
		2009 £	2008 £
	Amounts payable in the next financial year in respect of operating leases expiring		
	Between two and five years	-	-
	After five years	50,000	50,000
		<u>50,000</u>	<u>50,000</u>
		2,444	2,444
		-	-
		<u>2,444</u>	<u>2,444</u>

PROJECT FRAMING LTD**NOTES TO THE ACCOUNTS****30 June 2009****14. Pension commitments**

The company operates money purchase pension schemes for directors and staff. The schemes' funds are administered by trustees and are independent of the company's finances.

15. Bank security

Bank borrowing is secured by a debenture over the company's assets. There was no bank borrowing at 30 June 2009 (2008 – none).

16. Related party transactions

- (a) The director's current account of Mr R Bremner was in credit at 30 June 2009 by £1,303 (2008 – £1,303). The account is interest free and repayable on demand.
- (b) The company made the following transactions with Osborne & Allen Limited on normal commercial terms:

	2009 £	2008 £
Sales	85,258	152,387
Purchases	4,443	6,270
Recharged expenses receivable	-	10,000

There was an amount owing by Osborne & Allen Limited at 30 June 2009 of £78,433 (2008 - £101,872).

Mr R Bremner has an interest in these transactions by virtue of his shareholding in Osborne & Allen Limited.

- c) The company obtained a loan of £26,500 from the Project Framing Limited SSAS Fund last year as disclosed in note 9. The loan has been made on normal commercial terms, interest being payable at bank base rate plus 3% over the five year term of the loan.

17. Controlling party

The company's ultimate controlling party is Mr R Bremner.

PROJECT FRAMING LTD**TRADING ACCOUNT**
Year ended 30 June 2009

		2009	2008
	£	£	£
Sales		1,826,503	1,277,012
Cost of sales			
Purchases			
Mouldings	252,241	186,402	
Mountboard	67,235	49,712	
Glass and hardboard	96,782	94,921	
Packaging	76,616	96,726	
Other materials	32,662	20,693	
Printing, scanning, pictures and other goods	347,933	253,227	
Freight and carriage	34,194	31,908	
	<hr/>	<hr/>	
	907,663	733,589	
(Decrease)/increase in stock and work in progress	39,845	(38,938)	
	<hr/>	<hr/>	
		947,508	694,651
		<hr/>	<hr/>
Gross profit		878,995	582,361
48.1% of sales (2008 – 45.6%)			
Overheads			
	Schedule		
Staff costs	1 412,505	278,789	
Establishment costs	2 110,361	98,973	
General costs	3 115,652	131,925	
Financial costs	4 213	(1,127)	
Depreciation	5 23,187	19,020	
Recharged expenses	-	(10,000)	
	<hr/>	<hr/>	
		661,918	517,580
		<hr/>	<hr/>
Profit on ordinary activities before taxation		<u>217,077</u>	<u>64,781</u>

PROJECT FRAMING LTD**SCHEDULES TO TRADING ACCOUNT**
Year ended 30 June 2009

	2009	2008
	£	£
1. Staff costs		
Salaries and wages	374,036	252,923
National insurance contributions	37,926	25,326
Pension contributions	543	540
	<hr/>	<hr/>
	<u>412,505</u>	<u>278,789</u>
2. Establishment costs		
Rent	50,000	50,000
Rates and water	19,377	18,571
Maintenance, repairs and waste removal	25,768	15,867
Light and heat	12,772	12,091
Hire of forklift	2,444	2,444
	<hr/>	<hr/>
	<u>110,361</u>	<u>98,973</u>
3. General costs		
Advertising and promotion	171	468
Artists' commissions	54,149	68,399
Travel and entertaining	13,852	11,623
Motor expenses	10,925	9,811
Printing, postage and stationery	6,176	3,782
Telephone	5,010	5,800
Insurance	19,425	19,086
Legal and professional	960	1,084
Accountancy	3,900	3,945
Bank charges	846	879
Exchange rate differences	(9,182)	-
Miscellaneous expenses	9,420	7,048
	<hr/>	<hr/>
	<u>115,652</u>	<u>131,925</u>
4. Financial costs		
Hire purchase charges	-	3
Pension scheme loan interest	1,388	656
Bank and other interest receivable	(1,175)	(1,786)
	<hr/>	<hr/>
	<u>213</u>	<u>(1,127)</u>

PROJECT FRAMING LTD**SCHEDULES TO TRADING ACCOUNT**
Year ended 30 June 2009

	2009	2008
	£	£
5. Depreciation		
Plant and machinery	5,992	6,268
Furniture, fittings and equipment	5,775	4,530
Motor vehicles	11,420	8,476
	<hr/>	<hr/>
	23,187	19,274
Profit on disposal of motor vehicle	-	254
	<hr/>	<hr/>
	<u>23,187</u>	<u>19,020</u>

This page does not form part of the statutory accounts