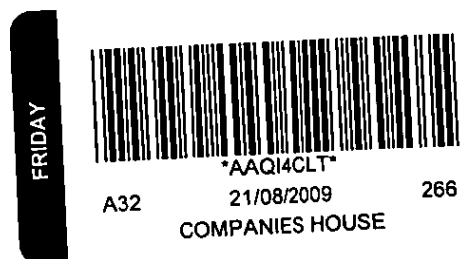


BRAINBOXES LIMITED
ABBREVIATED ACCOUNTS
for the year ended
31st October 2008

Company Registration Number 3245094



BRAINBOXES LIMITED

Abbreviated Accounts

Year ended 31st October 2008

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Mitchell Charlesworth

Chartered Accountants
5 Temple Square Temple Street Liverpool

BRAINBOXES LIMITED

Independent Auditor's Report to Brainboxes Limited

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 3 to 7, together with the accounts of Brainboxes Limited for the year ended 31st October 2008 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. 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 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" 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.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out in note 4 to the accounts.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.

Mitchell Charlesworth

Chartered Accountants
5 Temple Square Temple Street Liverpool

BRAINBOXES LIMITED

Independent Auditor's Report to Brainboxes Limited *(continued)*

UNDER SECTION 247B OF THE COMPANIES ACT 1985



5 Temple Square
Temple Street
Liverpool
L2 5RH

MITCHELL CHARLESWORTH
Chartered Accountants
Registered Auditor

14th August 2009

BRAINBOXES LIMITED

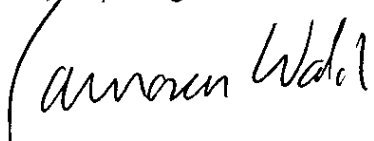
Abbreviated Balance Sheet

31st October 2008

	Note	2008 £	2007 £
Fixed assets	2		
Tangible assets		115,586	181,414
Current assets			
Stocks		152,894	144,079
Debtors		320,144	278,493
Cash at bank and in hand		672,191	715,009
		<u>1,145,229</u>	<u>1,137,581</u>
Creditors: Amounts falling due within one year		<u>362,694</u>	<u>308,169</u>
Net current assets		<u>782,535</u>	<u>829,412</u>
Total assets less current liabilities		<u>898,121</u>	<u>1,010,826</u>
Creditors: Amounts falling due after more than one year		250,000	250,000
Government grants	3	<u>4,264</u>	<u>17,013</u>
		<u>643,857</u>	<u>743,813</u>
Capital and reserves			
Called-up equity share capital	5	100,000	100,000
Profit and loss account		<u>543,857</u>	<u>643,813</u>
Shareholders' funds		<u>643,857</u>	<u>743,813</u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors and authorised for issue on 12th August 2009, and are signed on their behalf by:


E.T. Walsh

The notes on pages 4 to 7 form part of these abbreviated accounts.

BRAINBOXES LIMITED

Notes to the Abbreviated Accounts

Year ended 31st October 2008

1. Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the accounts on the grounds that the company is small.

Turnover

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

Research and development

Research and development expenditure is written off in the year in which it is incurred.

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:

Plant & Machinery	-	20% - 33.3%
Motor Vehicles	-	20%

Stocks

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

In respect of finished goods, cost includes all production overheads and an attributable proportion of indirect overhead expenses.

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.

BRAINBOXES LIMITED

Notes to the Abbreviated Accounts

Year ended 31st October 2008

1. Accounting policies *(continued)*

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 tax.

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.

Deferred government grants

Government grants in respect of capital expenditure are treated as deferred income and are credited to profit and loss account over the estimated useful life of the assets to which they relate.

Government grants receivable in respect of revenue expenditure are credited to profit and loss account on receipt of the grant.

BRAINBOXES LIMITED

Notes to the Abbreviated Accounts

Year ended 31st October 2008

2. Fixed assets

	Tangible Assets £
Cost	
At 1st November 2007	1,496,342
Additions	15,954
Disposals	(43,258)
At 31st October 2008	<u>1,469,038</u>
Depreciation	
At 1st November 2007	1,314,928
Charge for year	71,495
On disposals	(32,971)
At 31st October 2008	<u>1,353,452</u>
Net book value	
At 31st October 2008	<u>115,586</u>
At 31st October 2007	<u>181,414</u>

3. Government grants

	2008 £	2007 £
Received and receivable	311,703	311,703
Amortisation	(307,439)	(294,690)
	<u>4,264</u>	<u>17,013</u>

4. APB ethical standards

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities, assist with the preparation of the accounts and to provide tax advice.

5. Share capital

Authorised share capital:

	2008 £	2007 £
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

BRAINBOXES LIMITED

Notes to the Abbreviated Accounts

Year ended 31st October 2008

5. Share capital *(continued)*

Allotted, called up and fully paid:

	2008		2007	
	No	£	No	£
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>