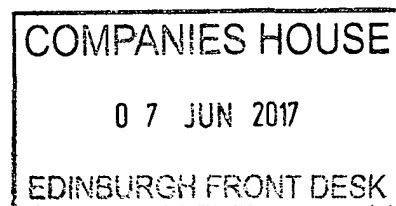


Internet for Business Limited

Abbreviated accounts

for the year ended 30 September 2016



Independent auditors' report to Internet for Business Limited
Under section 449 of the Companies Act 2006

We have examined the abbreviated accounts, which comprise the Balance sheet and the related notes, together with the financial statements of Internet for Business Limited for the year ended 30 September 2016 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 Auditors' 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 auditors

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.

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 are properly prepared.

Opinion on financial statements

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 which comprise the Balance sheet and the related notes have been properly prepared in accordance with the regulations made under that section.

Ernst & Young LLP

Kevin Weston (Senior statutory auditor)
for and on behalf of

Ernst & Young LLP

Statutory Auditor

Aberdeen

Date: 31/5/2017

Internet for Business Limited
Registered number: SC159601

Abbreviated balance sheet
As at 30 September 2016

	Note	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	2		3,796,278		3,911,512
Current assets					
Stocks		10,188		17,413	
Debtors		796,898		979,149	
Cash at bank		2,573		2,902	
		<u>809,659</u>		<u>999,464</u>	
Creditors: amounts falling due within one year	3	<u>(2,251,267)</u>		<u>(2,485,742)</u>	
Net current liabilities			<u>(1,441,608)</u>		<u>(1,486,278)</u>
Total assets less current liabilities			<u>2,354,670</u>		<u>2,425,234</u>
Creditors: amounts falling due after more than one year			<u>(2,220,000)</u>		<u>(2,220,000)</u>
Net assets			<u><u>134,670</u></u>		<u><u>205,234</u></u>
Capital and reserves					
Called up share capital	4		500,000		500,000
Profit and loss account			<u>(365,330)</u>		<u>(294,766)</u>
Shareholders' funds			<u><u>134,670</u></u>		<u><u>205,234</u></u>

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf on 31/5/17


J C A Michie
 Director

The notes on pages 3 to 5 form part of these financial statements.

Notes to the abbreviated accounts
For the year ended 30 September 2016

1. Accounting policies

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

1.2 Fundamental accounting concept

The financial statements have been prepared on the going concern basis which assumes that the Company will continue in operational existence for the foreseeable future and be able to meet its liabilities as they fall due.

The directors have prepared profit and balance sheet projections for the next twelve months which indicate that the Company remains profitable and can fund operations. The Company is in the process of a significant expansion but the final phase will not commence until appropriate funding is in place.

The Company relies on a bank overdraft (which at the year end was £90,190 compared to £302,051 at 30 September 2015) and loans from related parties of £2,220,000 (see note 17). The related parties have confirmed their intention to continue their financial support.

1.3 Turnover

Turnover comprises revenue recognised by the Company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Heritable Property	-	50 years straight line
Data Centre Facilities	-	3 - 50 years straight line
Plant & Machinery	-	1 - 5 years straight line
Motor Vehicles	-	5 - 7 years straight line
Fixtures & Fittings	-	4 years straight line

The land element of £313,500 of the heritable property is not being depreciated.

1.5 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

**Notes to the abbreviated accounts
For the year ended 30 September 2016**

1. Accounting policies (continued)

1.6 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.8 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.9 Research and development

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

Deferred research and development costs are reviewed annually, and where future benefits are deemed to have ceased or to be in doubt, the balance of any related research and development is written off to the Profit and loss account.

Internet for Business Limited

Notes to the abbreviated accounts
For the year ended 30 September 2016

1. Accounting policies (continued)**1.10 Pensions**

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

2. Tangible fixed assets

	£
Cost	
At 1 October 2015	5,938,624
Additions	74,038
Transfer between classes	-
At 30 September 2016	<u>6,012,662</u>
Depreciation	
At 1 October 2015	2,027,112
Charge for the year	189,272
Transfer between classes	-
At 30 September 2016	<u>2,216,384</u>
Net book value	
At 30 September 2016	<u><u>3,796,278</u></u>
At 30 September 2015	<u><u>3,911,512</u></u>

3. Creditors: Amounts falling due within one year

The bank overdraft at 30 September 2016 of £90,190 (2015 - £302,051) is secured by a standard security over the land and buildings and a floating charge.

4. Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
500,000 Ordinary shares of £1 each.	<u><u>500,000</u></u>	<u><u>500,000</u></u>