

Registration number 1800158

Loyalty Fusion PLC

Directors' Report and Financial Statements

for the Year Ended 31 March 2013

Hallidays LLP
Statutory Auditor
Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

SATURDAY



A14 *A2HUYK* #90
28/09/2013
COMPANIES HOUSE

Loyalty Fusion PLC

Contents

Company Information	1
Directors' Report	2
Statement of Directors' Responsibilities	3
Independent Auditor's Report	4 to 5
Profit and Loss Account	6
Balance Sheet	7
Notes to the Financial Statements	8 to 9

Loyalty Fusion PLC
Company Information

Directors	Mr R Allen Mr M Cowen
Company secretary	Mr T Frost
Registered office	First Floor Suite 17 Salmon Fields Business Village Royton Oldham OL2 6HT
Auditors	Hallidays LLP Statutory Auditor Riverside House Kings Reach Business Park Yew Street Stockport SK4 2HD

Loyalty Fusion PLC
Directors' Report for the Year Ended 31 March 2013

The directors present their report and the financial statements for the year ended 31 March 2013

Directors of the company

The directors who held office during the year were as follows

Mr R Allen

Mr M Cowen

Mr T Frost (resigned 13 March 2013)

Principal activity

The principal activity of the company is to raise finance through the issue of shares to attract a suitable trading company seeking a PLC parent with a large shareholder and capital base, with the view of listing on PLUS Market

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of

Reappointment of auditors

The auditors Hallidays LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006

Registered Office

First Floor Suite 17
Salmon Fields Business Village
Royton
Oldham
OL2 6HT

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006

Approved by the Board on 25/09/13 and signed on its behalf by



Mr R Allen
Director

Loyalty Fusion PLC

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 elected to prepare 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 apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

Independent Auditor's Report to the Members of Loyalty Fusion PLC

We have audited the financial statements of Loyalty Fusion PLC for the year ended 31 March 2013, set out on pages 6 to 9. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 3), 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 (APB's) Ethical Standards for Auditors.

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 Directors' Report 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 the 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 March 2013 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

**Independent Auditor's Report to the Members of
Loyalty Fusion PLC**

..... continued

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, or
- the directors were not entitled to prepare the financial statements and the Directors' Report in accordance with the small companies regime



Anna Bennett (Senior Statutory Auditor)
For and on behalf of Hallidays LLP, Statutory Auditor

Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Date 26/09/13

Loyalty Fusion PLC
Profit and Loss Account for the Year Ended 31 March 2013

	Note	2013 £	2012 £
Turnover		-	-
Administrative expenses		(5,982)	(790)
Other operating income		<u>(60,043)</u>	<u>-</u>
Operating loss		<u>(66,025)</u>	<u>(790)</u>
Loss on ordinary activities before taxation		<u>(66,025)</u>	<u>(790)</u>
Loss for the financial year	5	<u><u>(66,025)</u></u>	<u><u>(790)</u></u>

Loyalty Fusion PLC
(Registration number: 1800158)
Balance Sheet at 31 March 2013

	Note	2013 £	2012 £
Fixed assets			
Investments	2	-	60,043
Current assets			
Cash at bank and in hand		27	1,658
Creditors Amounts falling due within one year	3	(3,119)	(1,268)
Net current (liabilities)/assets		(3,092)	390
Net (liabilities)/assets		(3,092)	60,433
Capital and reserves			
Called up share capital	4	606,390	603,890
Share premium account	5	346,798	346,798
Profit and loss account	5	(956,280)	(890,255)
Shareholders' (deficit)/funds		(3,092)	60,433

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective 2008)

Approved by the Board on 25/09/13 and signed on its behalf by



Mr R Allen
Director

Loyalty Fusion PLC
Notes to the Financial Statements for the Year Ended 31 March 2013

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value

Financial instruments

The adoption of FRS 25 has resulted in a change in accounting policy in respect of the classification of capital instruments between debt and equity and in respect of paid equity dividends whereby paid equity dividends are charged directly to the profit and loss reserve rather than to the profit and loss account as an appropriation

There is no effect arising from the change in accounting policy on the results of the current or preceding year

2 Investments held as fixed assets

	2013 £	2012 £
Shares in group undertakings and participating interests	-	60,043

Shares in group undertakings and participating interests

	Joint ventures and associates £	Total £
Cost		
At 1 April 2012	60,043	60,043
Disposals	(60,043)	(60,043)
At 31 March 2013	-	-
Net book value		
At 31 March 2013	-	-
At 31 March 2012	60,043	60,043

During the year under review the entire shareholding in Animal Loyalty Cards Limited was transferred back to the original shareholder for £ Nil consideration

Loyalty Fusion PLC

Notes to the Financial Statements for the Year Ended 31 March 2013

..... continued

3 Creditors Amounts falling due within one year

	2013 £	2012 £
Amounts owed to group undertakings and undertakings in which the company has a participating interest	898	-
Other creditors	2,221	1,268
	<u>3,119</u>	<u>1,268</u>

4 Share capital

Allotted, called up and fully paid shares

	2013		2012	
	No	£	No.	£
Ordinary shares of £0.01 each	8,700,000	87,000	8,450,261	84,503
Deferred shares of £1,990.00 each	261	519,390	261	519,390
	<u>8,700,261</u>	<u>606,390</u>	<u>8,450,522</u>	<u>603,893</u>

5 Reserves

	Share premium account £	Profit and loss account £	Total £
At 1 April 2012	346,798	(890,255)	(543,457)
Loss for the year	-	(66,025)	(66,025)
At 31 March 2013	<u>346,798</u>	<u>(956,280)</u>	<u>(609,482)</u>

6 Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group

7 Control

The company is controlled by no single individual shareholder during the year