

Company Registration Number 02258507

Rivington Street Holdings (UK) Limited

Financial Statements

Year Ended

31st August 2012

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Rivington Street Holdings (UK) Limited
Financial Statements
Year Ended 31st August 2012

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Rivington Street Holdings (UK) Limited

Officers and Professional Advisers

The Board of Directors

M M Jordan
R Darvill

Registered Office

3rd Floor
3 London Wall Buildings
London Wall
London
EC2M 5SY

Auditor

KPMG Audit LLC
Chartered Accountants
Statutory Auditor
Heritage Court
41 Athol Street
Douglas
Isle of Man
IM99 1HN

Accountants

Wilson Stevens
Third Floor
111 Charterhouse Street
London
EC1M 6AW

Rivington Street Holdings (UK) Limited

The Directors' Report

Year Ended 31st August 2012

The directors present their report and the financial statements of the company for the year ended 31st August 2012

Principal Activity

The principal activity of the company during the year was that of a holding company

Directors

The directors who served the company during the year were as follows

M M Jordan

R Darvill

A Pau

(Resigned 14th June 2012)

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 those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- 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.

In so far as each of the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Auditor

KPMG Audit LLC are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Rivington Street Holdings (UK) Limited

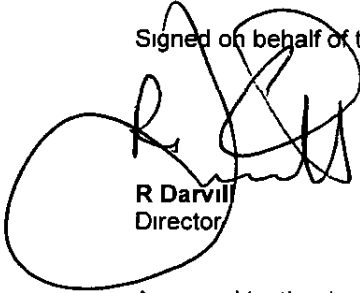
The Directors' Report (*continued*)

Year Ended 31st August 2012

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Signed on behalf of the directors



R Darvill
Director

Approved by the directors on 6th March 2013

Rivington Street Holdings (UK) Limited
Independent Auditor's Report to the Shareholder of
Rivington Street Holdings (UK) Limited
Year Ended 31st August 2012

We have audited the financial statements of Rivington Street Holdings (UK) Limited for the year ended 31st August 2012. 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).

This report is made solely to the company's shareholder, 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 shareholder 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 shareholder 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 Directors' Responsibilities Statement set out on page 2, 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

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Rivington Street Holdings (UK) Limited

**Independent Auditor's Report to the Shareholder of
Rivington Street Holdings (UK) Limited (*continued*)**

Year Ended 31st August 2012

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 31st August 2012 and of its loss 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 modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the Company's ability to continue as a going concern. For the year ended 31 August 2012 the Company incurred a loss of £276,552 and as at 31 August 2012 the Company had net current liabilities of £949,084. The Company is dependent for its working capital on funds provided to it by Rivington Street Holdings Plc ("RSH"), the company's ultimate holding undertaking. As disclosed in the RSH's financial statements for the year ended 31 August 2012, the RSH Group reported losses of £6,598,892 for the year then ended and had net current liabilities of £3,995,952 at the year end and is itself reliant on continued financial support from Burnbrae Limited ("Burnbrae") and Galloway Limited ("Galloway"), related companies. The Directors of RSH acknowledge that maintaining RSH Group as a going concern will almost certainly be reliant upon further funding from Burnbrae and Galloway, at least in the short to medium term. Burnbrae and Galloway have indicated to the RSH Group's directors that they will consider future funding as and when the need arises, but that they will not commit to providing future funding.

The Directors have concluded that the combination of these circumstances represents a material uncertainty that casts significant doubt upon the Company's ability to continue as a going concern and that, therefore, the Company may be unable to continue realising its assets and discharging its liabilities in the normal course of business. However, although further funding from Burnbrae and Galloway is not committed to RSH and hence may not be available from RSH to the Company, the Directors consider that they have a reasonable expectation that such support from RSH will continue to be made available and enables the Directors to conclude that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result if the Company was unable to continue as a going concern.

These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

Emphasis of Matter - Recoverability of Amounts Owed by Group Undertakings

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the recoverability of amounts owed by group undertakings. As at 31 August 2012, the Company has amounts owed by group undertakings amounting to £4,565,412. The Rivington Street Holdings plc group of companies ("the RSH Group"), of which the Company is part, is subject to a central treasury function, where surplus liquid funds are pooled to meet working capital and other cash requirements amongst group companies. The RSH Group suffered significant losses in the year to 31 August 2012, had net current liabilities at the year-end and is reliant on continued financial support from a related party, which is not committed. The Directors have concluded that the combination of these circumstances represents a material uncertainty that casts significant doubt upon the recoverability of amounts owed by group undertakings. The Directors have reviewed the amounts owed by group undertakings for impairment and in concluding that no impairment provisions are required they have relied on continued financial support being provided to the RSH Group so as to enable the RSH Group to continue to trade. The impact of this uncertainty cannot be quantified.

Rivington Street Holdings (UK) Limited
Independent Auditor's Report to the Shareholder of
Rivington Street Holdings (UK) Limited (*continued*)

Year Ended 31st August 2012

Opinion on Other Matters 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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report



DAVID McGARRY (Senior Statutory Auditor)
For and on behalf of KPMG AUDIT LLC
Chartered Accountants & Statutory Auditor

Heritage Court
41 Athol Street
Douglas
Isle of Man
IM99 1HN

154 March 2013

Rivington Street Holdings (UK) Limited

Profit and Loss Account

Year Ended 31st August 2012

	Note	2012 £	2011 £
Turnover	2	764,986	480,128
Cost of sales		—	479,086
Gross Profit		764,986	1,042
Administrative expenses		1,033,812	579,364
Other operating income	3	—	(23,253)
Operating Loss	4	(268,826)	(555,069)
Loss on disposal of current asset investments		(185)	(2,644)
		(269,011)	(557,713)
Interest receivable		38	—
Interest payable and similar charges	7	(27,722)	(5,779)
Loss on Ordinary Activities Before Taxation		(296,695)	(563,492)
Tax on loss on ordinary activities	8	(20,143)	7,305
Loss for the Financial Year		(276,552)	(570,797)

All of the activities of the company are classed as continuing

The notes on pages 10 to 22 form part of these financial statements

Rivington Street Holdings (UK) Limited
Statement of Total Recognised Gains and Losses
Year Ended 31st August 2012

	2012 £	2011 £
Loss for the financial year attributable to the shareholder	(276,552)	(570,797)
Net decrease in fair value of available-for-sale investments	-	(6,334)
Transfer to profit and loss on disposal of available-for-sale investments	<u>6,334</u>	<u>-</u>
Total gains and losses recognised since the last annual report	<u>(270,218)</u>	<u>(577,131)</u>

The notes on pages 10 to 22 form part of these financial statements

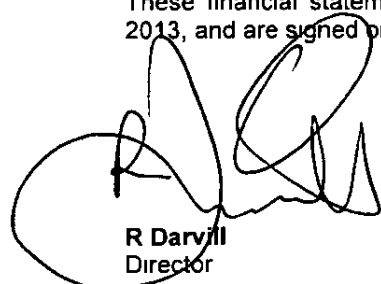
Rivington Street Holdings (UK) Limited

Balance Sheet

31st August 2012

	Note	2012 £	£	2011 £	£
Fixed Assets					
Intangible assets	9		31,810		41,638
Tangible assets	10		160,644		235,648
Investments	11		2,383,750		2,406,635
			<u>2,576,204</u>		<u>2,683,921</u>
Current Assets					
Debtors	12	4,748,282		4,147,389	
Investments	13	–		3,121	
Cash at bank		<u>129,762</u>		<u>27,997</u>	
		4,878,044		4,178,507	
Creditors Amounts Falling due Within One Year	14	<u>5,827,128</u>		<u>4,891,182</u>	
Net Current Liabilities			<u>(949,084)</u>		<u>(712,675)</u>
Total Assets Less Current Liabilities			<u>1,627,120</u>		<u>1,971,246</u>
Creditors: Amounts Falling due after More than One Year	15		977		59,598
Provisions for Liabilities					
Deferred taxation	17		11,166		31,309
			<u>1,614,977</u>		<u>1,880,339</u>
Capital and Reserves					
Called-up equity share capital	20		392,994		392,994
Share premium account	21		2,210,905		2,210,905
Investments revaluation reserve	22		–		(6,334)
Share options reserve	23		8,072		3,216
Other reserves	24		7,299		7,299
Profit and loss account	25		(1,004,293)		(727,741)
Shareholder's Funds	26		<u>1,614,977</u>		<u>1,880,339</u>

These financial statements were approved by the directors and authorised for issue on 6th March 2013, and are signed on their behalf by



R Darvill
Director

Company Registration Number 02258507

The notes on pages 10 to 22 form part of these financial statements.

Rivington Street Holdings (UK) Limited

Notes to the Financial Statements

Year Ended 31st August 2012

1. Accounting Policies

Basis of Accounting

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

Going Concern

The Company has net current liabilities of £949,084 at the year end. The Company is dependent for its working capital on funds provided to it by Rivington Street Holdings Plc ("RSH"), the company's ultimate holding undertaking. As disclosed in the RSH's financial statements for the year ended 31 August 2012, the RSH Group reported losses of £6,598,892 for the year then ended and had net current liabilities of £3,995,952 at the year end and is itself reliant on continued financial support from Burnbrae Limited ("Burnbrae") and Galloway Limited ("Galloway"), related companies. The Directors of RSH acknowledge that maintaining the RSH Group as a going concern will almost certainly be reliant upon further funding from Burnbrae and Galloway, at least in the short to medium term. Burnbrae and Galloway have indicated to the RSH Group's directors that they will consider future funding as and when the need arises, but that they will not commit to providing future funding. The Directors of RSH have also reviewed profit and cash flow projections for the Group in the period to 31 August 2014 and have instigated a review of operating performance, which is planned to improve profitability and cash flow.

The Directors have concluded that the combination of these circumstances represents a material uncertainty that casts significant doubt upon the Company's ability to continue as a going concern and that, therefore, the Company may be unable to continue realising its assets and discharging its liabilities in the normal course of business. However, although further funding from Burnbrae and Galloway is not committed to RSH and hence may not be available from RSH to the Company, the Directors consider that they have a reasonable expectation that such support from RSH will continue to be made available and this enables the Directors to conclude that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result if the Company was unable to continue as a going concern.

Recoverability of Amounts Owed by Group Undertakings

As at 31 August 2012, the Company has amounts owed by group undertakings amounting to £4,565,412. The Rivington Street Holdings plc group of companies ("the RSH Group"), of which the Company is part, is subject to a central treasury function, where surplus liquid funds are pooled to meet working capital and other cash requirements amongst RSH Group companies. As detailed above in the going concern basis of preparation note, the RSH Group suffered significant losses in the year to 31 August 2012, had net current liabilities at the year-end and is reliant on continued financial support from a related party, which is not irrevocably committed. The Directors have concluded that the combination of these circumstances represents a material uncertainty that casts significant doubt upon the recoverability of amounts owed by group undertakings. The Directors have reviewed the amounts owed by group undertakings for impairment and in concluding that no impairment provisions are required they have relied on continued financial support being provided to the RSH Group so as to enable the RSH Group to continue to trade.

Consolidation

The company was, at the end of the year, a wholly-owned subsidiary of another company incorporated in the EEA and in accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated accounts.

Rivington Street Holdings (UK) Limited

Notes to the Financial Statements

Year Ended 31st August 2012

1. Accounting Policies (continued)

Cash Flow Statement

The company is exempt from preparing a cash flow statement under Financial Reporting Standard 1, on the grounds that the company is a wholly owned subsidiary and is part of a consolidated group which include a cash flow statement

Turnover

Turnover represents the total value of sales made during the year, excluding Value Added Tax

Revenues are credited to the profit and loss account when services are rendered

Amortisation

Amortisation 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

Website - 20% on cost

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

Leasehold Property	- over the term of the lease
Computer equipment	- 33% on cost
Fixtures & Fittings	- 20% on cost

Finance Lease Agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

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.

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 or to receive more tax, with the following exceptions

Rivington Street Holdings (UK) Limited

Notes to the Financial Statements

Year Ended 31st August 2012

1. Accounting Policies (continued)

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

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.

Fixed Asset Investments

Fixed asset investments are stated at cost less impairment in value.

Current Asset Investments

The alternative accounting method is applied, where current asset investments are measured at current cost.

2. Turnover

The turnover and loss before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2012 £	2011 £
United Kingdom	<u>764,986</u>	<u>480,128</u>

3. Other Operating Income

	2012 £	2011 £
Dividends received	-	2,723
Insurance claim - compensation for loss of profits	-	<u>20,530</u>
	-	<u>23,253</u>

Rivington Street Holdings (UK) Limited

Notes to the Financial Statements

Year Ended 31st August 2012

4. Operating Loss

Operating loss is stated after charging

	2012	2011
	£	£
Amortisation of intangible assets	17,933	7,432
Depreciation of owned fixed assets	110,301	96,938
Depreciation of assets held under finance lease agreements	17,889	26,700
Operating lease costs		
- Other	24,440	135,000
Net loss on foreign currency translation	—	4,542
Auditor's remuneration	<u>12,000</u>	<u>15,000</u>
	2012	2011
	£	£
Auditor's remuneration - audit of the financial statements	<u>12,000</u>	<u>15,000</u>

5. Particulars of Employees

The average number of staff employed by the company during the financial year amounted to

	2012	2011
	No	No
Number of staff	<u>6</u>	<u>2</u>

The aggregate payroll costs of the above were

	2012	2011
	£	£
Wages and salaries	466,983	—
Social security costs	36,814	—
Equity-settled share-based payments	<u>4,856</u>	<u>3,216</u>
	<u>508,653</u>	<u>3,216</u>

Rivington Street Holdings (UK) Limited

Notes to the Financial Statements

Year Ended 31st August 2012

6. Directors' Remuneration

The directors' aggregate remuneration in respect of qualifying services were

	2012	2011
	£	£
Remuneration	<u>288,981</u>	<u>—</u>
Remuneration of highest paid director		
	2012	2011
	£	£
Total remuneration (excluding pension contributions)	<u>140,000</u>	<u>—</u>

7. Interest Payable and Similar Charges

	2012	2011
	£	£
Interest payable on bank borrowing	10,534	5,779
Other similar charges payable	<u>17,188</u>	<u>—</u>
	<u>27,722</u>	<u>5,779</u>

8 Taxation on Ordinary Activities

(a) Analysis of charge in the year

	2012	2011
	£	£
Deferred tax		
Origination and reversal of timing differences (note 17)		
Capital allowances	<u>(20,143)</u>	<u>7,305</u>

No liability to UK Corporation Tax arises on the results for the current or previous periods

At the period end there is an unprovided deferred tax asset of £96,663 (2011, £Nil) in relation to unused trading losses that may be set against future trading profits

Rivington Street Holdings (UK) Limited

Notes to the Financial Statements

Year Ended 31st August 2012

8. Taxation on Ordinary Activities (continued)

(b) Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 25 17% (2011 - 27 16%)

	2012	2011
	£	£
Loss on ordinary activities before taxation	(296,695)	(563,492)
Loss on ordinary activities by rate of tax	(74,678)	(153,044)
Expenses not deductible for tax purposes	(47,315)	61,348
Depreciation for period in excess of capital allowances	20,618	455
Unrelieved tax losses	101,375	-
Group relief surrender	-	91,241
Total current tax (note 8(a))	-	-

(c) Factors that may affect future tax charges

At the 31st August 2012 the company had Corporation Tax losses available for relief against future trading profits of £402,763 (2011, £Nil)

9 Intangible Fixed Assets

	Website
	£
Cost	
At 1st September 2011	49,070
Additions	8,105
At 31st August 2012	57,175
Amortisation	
At 1st September 2011	7,432
Charge for the year	17,933
At 31st August 2012	25,365
Net Book Value	
At 31st August 2012	31,810
At 31st August 2011	41,638

Rivington Street Holdings (UK) Limited

Notes to the Financial Statements

Year Ended 31st August 2012

10. Tangible Fixed Assets

	Leasehold Property £	Computer equipment £	Fixtures & Fittings £	Total £
Cost				
At 1st September 2011	77,743	260,035	35,442	373,220
Additions	<u>1,500</u>	<u>51,165</u>	<u>521</u>	<u>53,186</u>
At 31st August 2012	<u>79,243</u>	<u>311,200</u>	<u>35,963</u>	<u>426,406</u>
Depreciation				
At 1st September 2011	38,460	93,177	5,935	137,572
Charge for the year	<u>39,828</u>	<u>85,623</u>	<u>2,739</u>	<u>128,190</u>
At 31st August 2012	<u>78,288</u>	<u>178,800</u>	<u>8,674</u>	<u>265,762</u>
Net Book Value				
At 31st August 2012	<u>955</u>	<u>132,400</u>	<u>27,289</u>	<u>160,644</u>
At 31st August 2011	<u>39,283</u>	<u>166,858</u>	<u>29,507</u>	<u>235,648</u>

Finance lease agreements

Included within the net book value of £160,644 is £36,319 (2011 - £54,208) relating to assets held under finance lease agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £17,889 (2011 - £26,700)

11. Investments

	Group companies £	Participating interests £	Total £
Cost			
At 1st September 2011	2,397,196	9,439	2,406,635
Disposals	<u>(22,885)</u>	<u>-</u>	<u>(22,885)</u>
At 31st August 2012	<u>2,374,311</u>	<u>9,439</u>	<u>2,383,750</u>
Net Book Value			
At 31st August 2012	<u>2,374,311</u>	<u>9,439</u>	<u>2,383,750</u>
At 31st August 2011	<u>2,397,196</u>	<u>9,439</u>	<u>2,406,635</u>

Rivington Street Holdings (UK) Limited

Notes to the Financial Statements

Year Ended 31st August 2012

11. Investments (continued)

On 1st April 2012, the company disposed of the whole of its investment in J P Jenkins Limited to a fellow group company at cost

On 11th July 2012, Rivington Street Media Limited disposed of 50.1% of its investment in Peterhouse Corporate Finance Limited, formerly Rivington Street Corporate Finance Limited

Subsidiary undertakings	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
Rivington Street Media Ltd	England	Ordinary shares	100%	Intermediate holding company
t1ps com Ltd	England	Ordinary shares	100%	Subscription based financial websites
Bishopsgate Communications Ltd	England	Ordinary shares	100%	Financial public relations
Sharecrazy com Ltd	England	Ordinary shares	100%	Share information and trading
t1ps Investment Management Ltd	England	Ordinary shares	100%	Fund management
Oilbarrel com Ltd	England	Ordinary shares	100%	Corporate internet services
Viewpoint Field Services Ltd	England	Ordinary shares	100%	Market research
Rosslyn Research Ltd	England	Ordinary shares	100%	Sales and marketing

The company owns 49.9% of the issued share capital of Peterhouse Corporate Finance Limited which is considered to be a jointly controlled entity

12. Debtors

	2012 £	2011 £
Trade debtors	–	21,117
Amounts owed by group undertakings	4,565,412	3,953,480
Other debtors	73,011	159,980
Prepayments and accrued income	109,859	12,812
	<u>4,748,282</u>	<u>4,147,389</u>

Rivington Street Holdings (UK) Limited

Notes to the Financial Statements

Year Ended 31st August 2012

12 Debtors (continued)

The debtors above include the following amounts falling due after more than one year

	2012	2011
	£	£
Other debtors	<u>72,968</u>	<u>72,968</u>

Amounts owed by group undertakings are interest free, unsecured and have no fixed repayment date

13. Investments

	2012	2011
	£	£
Available-for-sale investments	<u>-</u>	<u>3,121</u>

The alternative accounting method is applied, where listed current asset investments are measured at current cost

Unlisted investments are revalued to be the lower of cost and net realisable value

Rivington Street Holdings (UK) Limited

Notes to the Financial Statements

Year Ended 31st August 2012

14. Creditors Amounts Falling due Within One Year

	2012	2011
	£	£
Bank loans	31,719	92,555
Trade creditors	270,109	84,567
Amounts owed to group undertakings	4,664,694	4,480,869
Taxation and social security	80,227	30,780
Finance lease agreements	36,751	27,740
Other creditors	650,000	146,833
Accruals and deferred income	93,628	27,838
	<u>5,827,128</u>	<u>4,891,182</u>

Other creditors include -

- Deferred consideration totalling £nil (2011, £37,416) relating to the original acquisition by Viewpoint Field Services Limited of its trade and assets

- Unsecured loan notes totalling £75,000 (2011, £79,040) which accrue interest at 10% per annum and are convertible into ordinary shares of 1p each at a conversion price of 50p per share. These loan notes are redeemable or convertible at any date prior to the final redemption date in 2014.

- Secured loan of £500,000 from Athol Gold & Value Limited. This loan attracts interest at 7% per annum and is secured on the shares and assets of Oilbarrel com Limited until such time as the loan is repaid in full.

Amounts owed to group undertakings are interest free, unsecured and have no fixed repayment date.

The bank loan is secured against the assets of the company and is subject to interest at Barclays Bank base rate plus 5%.

15. Creditors Amounts Falling due after More than One Year

	2012	2011
	£	£
Bank loans	-	31,999
Finance lease agreements	977	27,599
	<u>977</u>	<u>59,598</u>

The bank loan is secured against the assets of the company and is subject to interest at Barclays Bank base rate plus 5%.

Rivington Street Holdings (UK) Limited

Notes to the Financial Statements

Year Ended 31st August 2012

16. Commitments under Finance Lease Agreements

Future commitments under finance lease agreements are as follows

	2012	2011
	£	£
Amounts payable within 1 year	36,751	27,740
Amounts payable between 2 to 5 years	977	27,599
	<u>37,728</u>	<u>55,339</u>

17. Deferred Taxation

The movement in the deferred taxation provision during the year was

	2012	2011
	£	£
Provision brought forward	31,309	24,004
Profit and loss account movement arising during the year	(20,143)	7,305
Provision carried forward	<u>11,166</u>	<u>31,309</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2012	2011
	£	£
Excess of taxation allowances over depreciation on fixed assets	11,166	31,309
	<u>11,166</u>	<u>31,309</u>

18. Share-Based Payments

Equity-settled share-based payments

The company has accounted for its share of the cost of the share option scheme operated by the group in accordance with FRS20

The Rivington Street Holdings plc group has a share option scheme for 58 employees (including directors). Options are exercisable at a price equal to the average market price of the company's shares on the date of grant. The vesting period is 3 years and the options are settled in equity once exercised.

If the options remain unexercised after a period of 10 years from the date of grant, the options expire. Options are forfeited if the employee leaves the company before the options vest.

Fair value was measured using published industry price/earnings ratios as a suitable capitalisation factor to be applied to historic pre-tax group earnings.

Full details of the share options outstanding at the end of the year are disclosed in the consolidated accounts of Rivington Street Holdings plc.

Rivington Street Holdings (UK) Limited

Notes to the Financial Statements

Year Ended 31st August 2012

19. Related Party Transactions

Controlling party

In the opinion of the directors there is not an ultimate controlling party

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8

20. Share Capital

Allotted, called up and fully paid

	2012	£	2011	£
	No		No	
39,299,351 Ordinary shares of £0.01 each	<u>39,299,351</u>	<u>392,994</u>	<u>39,299,351</u>	<u>392,994</u>

21. Share Premium Account

There was no movement on the share premium account during the financial year

22. Investments Revaluation Reserve

	2012	2011
	£	£
Balance brought forward	(6,334)	-
Net decrease in fair value of available-for-sale investments	-	(6,334)
Transfer to profit and loss on disposal of available-for-sale investments	<u>6,334</u>	<u>-</u>
Balance carried forward	<u>-</u>	<u>(6,334)</u>

23. Share Options Reserve

	2012	2011
	£	£
Balance brought forward	3,216	42,386
Recognition of equity-settled share-based payments in the year	4,856	3,216
Exercise of options during the year	-	(67)
Cancellation of share options in the year	-	(42,319)
Balance carried forward	<u>8,072</u>	<u>3,216</u>

Rivington Street Holdings (UK) Limited

Notes to the Financial Statements

Year Ended 31st August 2012

24. Other Reserves

	2012	2011
	£	£
Capital redemption reserve	<u>7,299</u>	<u>7,299</u>

25. Profit and Loss Account

	2012	2011
	£	£
Balance brought forward	(727,741)	(169,330)
Loss for the financial year	(276,552)	(570,797)
Cancellation of share options in the year	-	42,319
Exercise of share options in the year	-	67
Arranger warrant settlement payment	-	(30,000)
Balance carried forward	<u>(1,004,293)</u>	<u>(727,741)</u>

26. Reconciliation of Movements in Shareholder's Funds

	2012	2011
	£	£
Loss for the financial year	(276,552)	(570,797)
Arranger warrant settlement payment	-	(30,000)
Recognition of equity-settled share-based payments in the year	4,856	3,216
Net decrease in fair value of available-for-sale investments	-	(6,334)
Transfer to profit and loss on disposal of available-for-sale investments	6,334	-
Net reduction to shareholder's funds	(265,362)	(603,915)
Opening shareholder's funds	<u>1,880,339</u>	<u>2,484,254</u>
Closing shareholder's funds	<u>1,614,977</u>	<u>1,880,339</u>

27. Ultimate Parent Company

The company's ultimate holding company is Rivington Street Holdings Plc

The consolidated accounts of Rivington Street Holdings plc represent the accounts of the smallest and largest group for which consolidated accounts are prepared. These accounts are available from the Isle of Man Companies Registry.