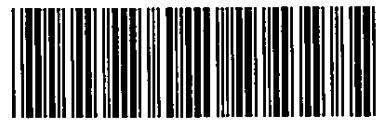


Company Registration No: 2935835

ALLURIAN LIMITED
Report and Financial Statements

31 December 2011

TUESDAY



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ALLURIAN LIMITED

REPORT AND FINANCIAL STATEMENTS

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ALLURIAN LIMITED

REPORT AND FINANCIAL STATEMENTS

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

R H Cunningham
J H Dawson
A P Sunderland

SECRETARY

A V Dearden

REGISTERED OFFICE

20 St Christopher's Way
Pride Park
Derby
DE24 8JY

BANKERS

Barclays Bank plc
Sir Frank Whittle Road
Derby

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
Nottingham, UK

ALLURIAN LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2011

This directors' report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

BUSINESS REVIEW AND PRINCIPAL ACTIVITIES

The principal activities of the company were that of providing managed IT services to the business marketplace. The company also conducts research and development activities on behalf of other group companies in order to develop these services

During the year under review the company made a loss after taxation of £432,268 (2010 £159,221)

The directors do not recommend the payment of a dividend (2010 £nil)

GOING CONCERN

The directors, in their consideration of going concern, have reviewed the company's future cash flow forecasts and revenue projections, which they believe are based on reasonable market data and past experience

As the company continues its research and development of IT managed services, those services are expected to enhance the products offered to the business marketplace by other group companies thereby growing the company's own revenues from royalties and consultancy fees. The company is expected to breakeven in 2012. As a result the company will require the use of the committed group overdraft facility. Fellow group undertaking Griffin Information Systems Limited will continue to provide financial support to the company during the period, a letter confirming that fact has been received by the company

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for a period of no less than 12 months from the date of signing the accounts. For this reason they continue to adopt the going concern basis in preparing the financial statements

PRINCIPAL RISKS AND UNCERTAINTIES

The main risks facing the company are

- Technological change
- Requirement for CAPEX

The potential for technological change is constantly under review. All processes involved in the delivery of service to customers are designed in such a way to ensure they do not become redundant as a result of technological changes but are easily adapted to implement new technologies. The company forecasts its capital expenditure requirement well in advance and the directors ensure that it has sufficient lease funding or internal reserves to meet any known requirement

The company is exposed to interest rate changes as the cash is held at floating rates. The directors do not believe it is necessary to mitigate this risk, given the current rates of interest. The directors mitigate liquidity risk by ensuring there is sufficient cash at hand to meet routine liabilities as they fall due

The company currently has a significant concentration of credit risk as there are few customers. This risk is mitigated by the fact that all customers are fellow group undertakings

ALLURIAN LIMITED

DIRECTORS' REPORT (Continued)

DIRECTORS

The directors who served during the year and subsequently were

R H Cunningham

J H Dawson

A P Sunderland

A M Barber (resigned 21 February 2012)

SHARE CAPITAL

On 31 December 2011, 859,429 ordinary shares of £1 each were issued at par to Octium Limited, the Company's parent company

AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that

(1) so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and

(2) the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006. Deloitte LLP have indicated their willingness to continue in office as the company's auditor. A resolution for their reappointment will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

A handwritten signature in black ink, appearing to be 'A V Dearden', with a long horizontal stroke extending to the right.

A V Dearden

Secretary

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual 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 then apply them consistently,
- make judgments 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 ALLURIAN LIMITED

We have audited the financial statements of Allurian Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 14. 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 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 Directors' Responsibilities Statement, 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 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 annual 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 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 December 2011 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.

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.

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
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report.



Mark Doleman FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Nottingham, UK

25 June 2011

ALLURIAN LIMITED

PROFIT AND LOSS ACCOUNT Year ended 31 December 2011

	Note	Year ended 31 December 2011 £	18 months ended 31 December 2010 £
TURNOVER	2	1,563,454	1,682,203
Cost of sales		(37,011)	(540,532)
Gross profit		<u>1,526,443</u>	<u>1,141,671</u>
Administrative expenses		(2,122,588)	(1,317,776)
OPERATING LOSS	4	(596,145)	(176,105)
Interest receivable and similar income		-	4
Interest payable and similar charges		-	(1,772)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(596,145)</u>	<u>(177,873)</u>
Tax on loss on ordinary activities	5	<u>163,877</u>	<u>18,652</u>
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	11,12	<u>(432,268)</u>	<u>(159,221)</u>

All results are derived from continuing operations

There are no recognised gains or losses other than the loss for the current year and prior period. Accordingly no separate statement of total recognised gains and losses is presented.

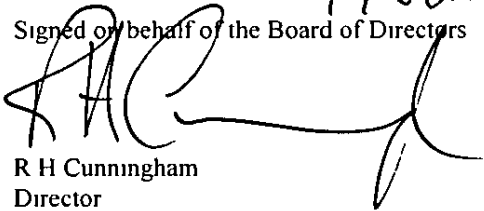
ALLURIAN LIMITED

BALANCE SHEET 31 December 2011

	Note	2011 £	2010 £
FIXED ASSETS			
Tangible assets	6	58,325	32,501
CURRENT ASSETS			
Debtors	7	257,393	250,801
Cash at bank and in hand		1,222	10,720
		<u>258,615</u>	<u>261,521</u>
CREDITORS: amounts falling due within one year	8	<u>(316,167)</u>	<u>(720,410)</u>
NET CURRENT/LIABILITIES		<u>(57,552)</u>	<u>(458,889)</u>
NET ASSETS/LIABILITIES		<u>773</u>	<u>(426,388)</u>
CAPITAL AND RESERVES			
Called up share capital	10	860,000	571
Share premium	11	428,667	428,667
Profit and loss account	11	<u>(1,287,894)</u>	<u>(855,626)</u>
SHAREHOLDERS' FUNDS/(DEFICIT)	11,12	<u>773</u>	<u>(426,388)</u>

These financial statements of Allurian Limited, registered number 2935835 were approved by the Board of Directors and authorised for issue on 19 June 2012

Signed on behalf of the Board of Directors


R H Cunningham
Director

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2011

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below and have been applied consistently in the current and prior year.

Accounting convention

The financial statements are prepared under the historical cost convention.

Going concern

The directors, in their consideration of going concern, have reviewed the company's future cash flow forecasts and revenue projections, which they believe are based on reasonable market data and past experience.

As the company continues its research and development of IT managed services, those services are expected to enhance the products offered to the business marketplace by other group companies thereby growing the company's own revenues from royalties and consultancy fees. The company is expected to breakeven in 2012. As a result the Company will require the use of the committed group overdraft facility. Fellow group undertaking Griffin Information Systems Limited will continue to provide financial support to the Company during the period, a letter confirming that fact has been received by the Company.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for a period of no less than 12 months from the date of signing the accounts. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Cash flow statement

The accounts do not include a cash flow statement because the company, as a wholly owned subsidiary undertaking of Octium Limited, is exempt from the requirement to prepare such a statement under Financial Reporting Statement 1 "Cash flow statements".

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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:

Fixtures and Fittings - 20% straight line

Plant and Machinery - 20% straight line

Computer Equipment - 33 1/3% straight line

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, 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 is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

ALLURIAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) Year ended 31 December 2011

2 TURNOVER

Turnover represents the value of services provided by the company, excluding value added tax. The turnover, which arises solely in the United Kingdom, is attributable to the research and development and management of IT services.

3 INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	Year ended 31 December 2011 £	18 months ended 31 December 2010 £
Directors' emoluments	124,520	303,674
Highest paid director		
Emoluments	124,520	168,924
Staff costs during the year (including directors)		
Wages and salaries	1,206,364	786,288
Social security costs	149,341	88,676
	1,355,704	874,965
Average number of persons employed (including directors)	Number	Number
Administration	7	2
Operations	10	2
Development	9	2
Sales	-	4
	26	10

4 OPERATING LOSS

Operating loss is after charging.

	Year ended 31 December 2011 £	18 months ended 31 December 2010 £
Depreciation of owned fixed assets	13,519	39,394
The analysis of auditor's remuneration is as follows		
Fees payable to the company's auditor for the audit of the company's annual accounts	4,200	2,000
Total audit fees	4,200	2,000
Other services pursuant to legislation		
Tax services	3,750	1,000
Total non audit fees	3,750	1,000

ALLURIAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) Year ended 31 December 2011

5. TAX ON LOSS ON ORDINARY ACTIVITIES

a) Analysis of credit in the year/period

	Year ended 31 December 2011 £	18 months ended 31 December 2010 £
Current tax		
United Kingdom corporation tax at 26.5% (2010: 28%) based on the profit for the year	(119,965)	(18,666)
Adjustments in respect of prior years	(43,912)	14
	<u>(163,877)</u>	<u>(18,652)</u>
Deferred tax		
Origination and reversal of timing differences	3,275	-
Adjustment in respect of previous periods	(3,461)	-
Effect of changes in tax rates	186	-
	<u>-</u>	<u>-</u>
 Tax credit on loss on ordinary activities	 <u>(163,877)</u>	 <u>(18,652)</u>

b) Factors affecting the tax credit for the year/period

The tax assessed for the year/period is lower than the standard rate of corporation tax in the UK. The differences are explained below:

	Year ended 31 December 2011 £	18 months ended 31 December 2010 £
Loss on ordinary activities before taxation	(596,145)	(177,873)
UK corporation tax at the standard rate of 26.5% (2010: 28%)	(157,938)	(49,804)
Effects of		
Capital allowances less than/in excess of depreciation	101	6,003
Expenses not deductible for tax purposes	417	6,453
Movement in short term timing differences	4,573	-
Tax losses carried forward	32,882	-
Losses extinguished on cessation of trade	-	18,682
Adjustments to tax charge in respect of prior years	(43,912)	14
	<u>(163,877)</u>	<u>(18,652)</u>

ALLURIAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) Year ended 31 December 2011

c) Factors that may affect the future tax charge

Corporation tax is calculated at an average rate of 26.5% (2010 28%) of the estimated assessable profit for the year

The Finance Act 2011, which was substantively enacted in July 2011 reduced the main rate of corporate tax to 25% from 1 April 2012 and also included provisions to reduce the rate of corporation tax to 24% with effect from 1 April 2013. Any deferred tax balances have been revalued to the lower rate of 25%.

On 21 March 2012 the UK Government announced that it intends to further reduce the rate of corporation tax to 24% with effect from 1 April 2012 and then by 1% per annum to 22% by 1 April 2014. As this legislation was not substantively enacted by 31 December 2011, the impact of the anticipated rate change is not reflected in the tax provisions reported in these accounts.

6. TANGIBLE FIXED ASSETS

	Fixtures and Fittings £	Plant and Machinery £	Computer Equipment £	Total £
Cost				
At 1 January 2011	-	14,373	141,954	156,327
Additions	6,400	-	65,444	71,844
Disposals	-	(14,373)	(141,954)	(156,327)
At 31 December 2011	6,400	-	65,444	71,844
Accumulated depreciation				
At 1 January 2011	-	14,373	109,453	123,826
Charge for the period	313	-	13,206	13,519
Disposals	-	(14,373)	(109,453)	(123,826)
At 31 December 2011	313	-	13,206	13,519
Net book value				
At 31 December 2011	6,087	-	52,238	58,325
At 31 December 2010	-	-	32,501	32,501

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Trade debtors	-	224,832
Prepayments & other debtors	93,516	7,303
Corporation tax	43,912	-
Group relief receivable	119,965	18,666
	<u>257,393</u>	<u>250,801</u>

ALLURIAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) Year ended 31 December 2011

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Bank loans and overdrafts	-	12,750
Trade creditors	83,046	87,881
Amounts owing to group undertakings	87,242	542,359
Social security and other taxes	34,344	36,340
Accruals and deferred Income	82,254	41,080
Other creditors	29,281	-
	<u>316,167</u>	<u>720,410</u>

9. DEFERRED TAXATION

	2011 £	2010 £
Deferred tax		
At 1 January	-	-
Accelerated capital allowances	(3,185)	(2,527)
Short term timing differences	(4,316)	-
Deferred tax not provided	7,501	2,527
	<u>-</u>	<u>-</u>
Balance at 31 December	-	-

The deferred tax asset has not been recognised due to the uncertainty around when it will be utilised

10. CALLED UP SHARE CAPITAL

	2011 £	2010 £
Called up allotted and fully paid		
860,000 ordinary shares of £1 each	<u>860,000</u>	<u>571</u>

On 31 December 2011, 859,429 ordinary shares of £1 each were issued at par On 25 June 2012, the entire share capital was redesignated as ordinary shares of £0.01 each

11. RESERVES

	Share capital £	Share Premium £	Profit and loss account £	Total £
At 1 January 2011	571	428,667	(855,626)	(426,388)
Share issue	859,429	-	-	859,429
Loss for the year	-	-	(432,268)	(432,268)
	<u>860,000</u>	<u>428,667</u>	<u>(1,287,894)</u>	<u>773</u>
At 31 December 2011	860,000	428,667	(1,287,894)	773

ALLURIAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) Year ended 31 December 2011

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS/(DEFICIT)

	2011 £	2010 £
Opening shareholders' deficit	(426,388)	(267,167)
Share issue	859,429	-
Loss for the year	(432,268)	(159,221)
Closing shareholders' funds/(deficit)	773	(426,388)

13. RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption in FRS 8 "Related Party Disclosures" not to disclose transaction with other group companies

14. ULTIMATE PARENT COMPANY

The company's parent and ultimate parent company is Octium Limited, a company incorporated in the United Kingdom. The ultimate controlling party is R H Cunningham. Octium Limited represents both the largest and smallest group into which the company's results are consolidated. Consolidated accounts for Octium Limited are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.