Registered Number: 03295455

FAIR ISAAC (ADEPTRA) LIMITED

Annual Report and Financial Statements

Year ended 30 September 2013

FAIR ISAAC (ADEPTRA) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS 2013

CONTENTS

FAIR ISAAC (ADEPTRA) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

Registered No. 3295455

Directors
D Sanderson
M Scadina
M Pung
R Deal

Company Secretary
M Scadina

Auditor
Deloitte LLP
Chartered Accountants and Statutory Auditor
Four Brindleyplace
Birmingham
B1 2HZ

Bankers
Royal Bank of Scotland N.V.
250 Bishops Gate
London
EC2M 4AA

Solicitors
Faegre Benson Hobson Audley LLP
7 Pilgrim Street
London EC4V 6LB

Registered Office
5th Floor
Cottons Centre
Hays Lane
London
SE1 2QP

STRATEGIC REPORT

BUSINESS REVIEW AND PRINCIPAL ACTIVITIES

The principal activity of the Company is the research, development, marketing and distribution of interactive alerting technology to the corporate market globally.

The Company's key financial indicators during the period were as follows:

	12 months ended 30 September 2013 £	9 months ended 30 September 2012 £
Turnover	18,924,526	8,317,056
Profit before taxation	17,369,731	21,925,581
Profit after taxation	20,008,817	22,109,189
Average number of employees	66	80

During the year to 30 September 2013 the Company made a profit of £20,008,817, which includes a gain on the disposal of investments of £17,429,780 (2012: the company made a profit of £22,109,189 which included a profit on disposal of investments of £9,771,443).

Through the year the Company continued to win new orders for services and expand in new territories and it is anticipated that these new services will add additional revenue in 2014.

FUTURE DEVELOPMENTS

The directors consider that the Company will continue with its principal activities for the foreseeable future and will see continued expansion into the new geographic markets and industry verticals, including moving towards developing its cloud technology.

PRINCIPAL RISKS AND UNCERTANTIES

The directors consider the key risks and uncertainties facing the Company to be:

Competitive risks

The Company faces competition in many of its chosen markets. Most contracts are subject to periodic competitive tender and renewal of these contracts is uncertain and based on financial and performance criteria. The company may also suffer impact from the merger of clients which results in the loss of business to a competitor or reduced revenue as a result of higher volume from the merged entity. Additionally, the Company is subject to the threat that a competitor may introduce a product or service offering with technologically superior capability to the Company's product and service offerings. To mitigate these risks the Company continues to invest in research and development and monitors performance and competitive position in the market.

Legislative risks

Legislative and regulatory changes relating to telecommunications or the use of automated services in the financial services sector may affect the Company's ability to deliver their service to their customers or limit the applications that the Company can offer. Fair Isaac (Adeptra) Limited historically played a significant role in the implementation of a forum for similar businesses within the industry to tackle issues arising from Ofcom to mitigate the company's exposure of breaching any regulations set by this body.

Liquidity risks

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company aims to mitigate liquidity risk by managing cash generation by its operations. In addition, to ensure the Company has sufficient funds for its ongoing operations and future activities, the financing and liquidity of the Company is managed in conjunction with the Fair Isaac Corporation (FICO) Group treasury function.

STRATEGIC REPORT (CONTINUED)

Credit risks

Credit risk is the risk that one party to a financial instrument will cause a financial loss for that other party by failing to discharge an obligation. Company policies are aimed at minimising such losses. Company policies are aimed at minimising such losses, and require that all trade is carried out subject to our standard credit terms and normal terms and conditions. The debtors ledger is reviewed on a regular basis to determine the age of the debt and any necessary provision is made accordingly. Details of the Company's debtors are shown in notes 11 and 12 to the financial statements.

Foreign currency risks

The Company has transactional currency exposures which arise from sales and purchases in currencies other than its functional currency as well as the currency risk associated with the US Dollar and Australian Dollar intercompany loans. Potential exposures to foreign currency exchange rate movements are monitored regularly by the board and actions, where appropriate, are taken to manage net open foreign currency positions.

Approved by the Board of Directors and signed on behalf of the Board on 6th June 2014

M Pung
Director

DIRECTORS' REPORT

The directors present their report and the strategic report and the audited financial statements for Fair Isaac (Adeptra) Limited for the 12 months ended 30 September 2013.

GOING CONCERN

Following the acquisition by FICO, the company has seen increased demand for its communications software, developed by the company, which in conjunction with some pro-active cost management is contributing to a positive cash-flow and re-establishing its profitability and liquidity position. The profitability and positive cash flow, of the business, is expected to increase over the foreseeable future, as demand for its cloud solutions technology is developed and sold, however the directors have ascertained, should they require any group funding, it is available.

The FICO group business model has a high percentage of recurring revenue and generates a substantial amount of free cash flow each quarter, as a group we retain approximately $30 million of free cash flow on a quarterly basis.

The group is subject to a number of risks and uncertainties which arise as a result of the current economic environment. In determining that the company is a going concern these risks, which are described in the principal risks and uncertainties section, have been considered by the directors.

Management has considered the financial and cash flow forecast or projection for a period of at least 12 months from date of signing the accounts. Consequently the directors believe both the company and the group are well placed to manage business risks successfully despite the current uncertain economic outlook and will continue in operational existence for the foreseeable future. Accordingly, the going concern basis is adopted in preparing the annual report and financial statements

DIVIDENDS

The directors do not recommend the payment of any dividends (2012: £Nil).

ETHICS

Fair Isaac Corporation recognises the importance of business ethics and to conducting the company's business with absolute integrity. All employees are fully encouraged to act in accordance with its code of business conduct and ethics to promote honest and ethical conduct on the part of employees and others who act for and on behalf of Fair Isaac Corporation.

DIRECTORS

The directors, all of whom served throughout the year and subsequently, are as follows:

M Pung
M Scadina
R Deal
D Sanderson

AUDITOR

Each of the persons who is a director at the date of approval of these financial statements confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself 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.

During the year Ernst & Young LLP resigned as auditors and Deloitte LLP have been appointed on 8 January 2014, Deloitte LLP has expressed their willingness to continue in office as auditor and a resolution to re-appoint Deloitte LLP as the company's auditor will be proposed at the Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board on 6th June 2014

M Pung
Director

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 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;
- state whether applicable UK accounting standards have been followed; 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 FAIR ISAAC (ADEPTRA) LIMITED

We have audited the financial statements of Fair Isaac (Adeptra) Limited for the year ended 30 September 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 19. 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 set out on page 6, 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 and to identify any information that is apparently incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 30 September 2013 and of its profit 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 Strategic Report and 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 FAIR ISAAC (ADEPTRA) LIMITED (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.

Jonathan Dodworth

Jonathan Dodworth (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Birmingham, United Kingdom

9 June 2014

FAIR ISAAC (ADEPTRA) LIMITED

PROFIT AND LOSS ACCOUNT
Year ended 30 September 2013

	Note	Year ended 30 September 2013 £	9 months ended 30 September 2012 £
TURNOVER	2	18,924,526	8,317,056
Cost of sales		(11,522,321)	(1,973,580)
GROSS PROFIT		7,402,205	6,343,476
Administrative expenses		(7,561,042)	(7,609,353)
Foreign exchange		(1,393,125)	(640,015)
OPERATING LOSS	3	(1,551,962)	(1,905,892)
Gain on sale of fixed asset investment	10	17,429,780	9,771,443
Reversal of impairment on intercompany accounts		-	14,299,325
Interest receivable and similar income	6	1,491,913	64,958
Interest payable and similar charges	7	-	(304,253)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX		17,369,731	21,925,581
Tax charge on profit on ordinary activities	8	2,639,086	183,608
PROFIT FOR THE FINANCIAL PERIOD	15	20,008,817	22,109,189

All results are derived from continuing operations

There are no recognised gains or losses for the current and preceding financial periods other than those disclosed in the profit and loss account. Accordingly, no separate statement of total recognised gains and losses has been presented.

The notes on pages 10 to 21 form part of these financial statements.

FAIR ISAAC (ADEPTRA) LIMITED

BALANCE SHEET
At 30 September 2013

	Note	2013 £	2012 £
FIXED ASSETS			
Tangible assets	9	491,012	241,974
Investments	10	-	88,917
		491,012	330,891
CURRENT ASSETS			
Debtors:			
- due within one year	11	27,320,249	4,596,708
- due after one year	12	18,767,687	19,140,539
Cash at bank		2,614,553	2,820,273
		48,702,489	26,557,520
CREDITORS: amounts falling due within one year	13	(4,954,826)	(2,816,495)
NET CURRENT ASSETS		43,747,663	23,741,025
NET ASSETS		44,238,675	24,071,916
CAPITAL AND RESERVES			
Called up share capital	14	2,546,583	2,546,583
Share premium account	15	32,681,584	32,681,584
Profit and loss account	15	9,010,508	(11,156,251)
SHAREHOLDERS'FUNDS	15	44,238,675	24,071,916

The financial statements of Fair Isaac (Adeptra) Limited (registered number 03295455) were approved by the board of Directors and authorised for issue on 6th June 2014

Signed on behalf of the Board of Directors by

M Pung

Director

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 30 September 2013

1. ACCOUNTING POLICIES

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom company law and accounting standards, which have been applied consistently throughout the current and prior periods. The particular accounting policies adopted are described below.

Going concern

After having considered the group's considerable financial resources the directors believe that the company is well placed to manage its' business risks successfully and will continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements. Please refer to the Directors' Report for further detail.

Cash flow statement

The company has taken advantage of the exemption in FRS 1 (Revised) not to present a cash flow statement, as it is a wholly-owned subsidiary undertaking of Fair Isaac Corporation, a company incorporated in the State of Delaware, United States of America, whose consolidated financial statements include the results of the company and are publicly available.

Turnover

Turnover is stated net of value added tax.

The company derives its income from the provision of the company's alerting service, custom application and development project

Income is recognised in the period in which alerting services are provided. Income from custom application and development projects is recognised to the extent that a separately identifiable phase of the project has been completed.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and provision for any impairment. Depreciation of tangible fixed assets is calculated to write off their cost less any residual value over their estimated useful lives as follows:

Computer software and equipment	3 years

Fully depreciated assets still in use are retained in the financial statements. Residual value is calculated on prices prevailing at the date of acquisition or revaluation.

Leases

Operating lease rentals payable or receivable are charged or credited to the profit and loss account in equal instalments over the lease term.

Foreign currencies

Foreign currency transactions are converted into Sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the rates ruling on the balance sheet date. These translation differences are taken to the profit and loss account.

Taxation

Current taxation 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.

In accordance with FRS 19, deferred taxation is recognised in full on 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, at a future date have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of items of gains and losses in tax assessments in periods different from those in which they are included in financial statements. Deferred taxation balances are not discounted.

1. ACCOUNTING POLICIES (CONTINUED)

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.

Pensions

The group operates certain defined contribution schemes for certain employees. Contributions are charged to the profit and loss account as they become payable.

Research and development

Development expenditure is written off in the period in which it is incurred.

Research and development is expensed to profit and loss in the period the costs are incurred.

Share based payments

The company has applied requirements of FRS 20 Share-based Payment. In accordance with the transitional provisions, FRS 20 has been applied to all grants of equity instruments after 7 November 2002 that were unvested as of 1 October 2012.

The company issues equity settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight-line basis over the vesting period, based on the company's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

Fair value is measured by use of the Black-Scholes pricing model. The expected life in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

2. TURNOVER

Turnover, which is stated net of value added tax and trade discounts, is derived from the Company's principal continuing activity. Disclosure of turnover in respect of each geographical segment has not been provided as the directors believe it would be seriously prejudicial to the interest of the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 30 September 2013

3. OPERATING LOSS

This is stated after charging

			Year ended 30 September 2013 £	9 months ended 30 September 2012 £
Fees payable to the company's auditor for the audit of the company's financial statements.			37,500	36,432
Depreciation of tangible assets	–	fixtures, fittings and equipment	221,960	226,971
Loss on disposal of assets			-	107,747
Research and development			114,307	1,260,065
Operating lease rentals	–	land and buildings	230,000	171,186
	–	plant and machinery	2,128	1,416
Foreign exchange loss			1,393,125	640,015

Audit fees of £37,500 were borne by Fair Isaac Services Limited, a fellow subsidiary undertaking. There were no non-audit services provided in either year.

4. DIRECTORS REMUNERATION

	Year ended 30 September 2013 £	9 months ended 30 September 2012 £
Remuneration	-	1,478,519
Company contributions paid to money purchase pension schemes	-	6,000
	No.	*No.*
Number of directors in pension scheme	-	1

The emoluments of the directors for the year ended are paid by the ultimate parent company as their services to Fair Isaac (Adeptra) Limited are incidental to their services provided to other group companies. Accordingly, no emoluments have been disclosed in these financial statements in respect of the directors.

Highest paid director:	Year ended 30 September 2013 £	9 months ended 30 September 2012 £
Remuneration	-	665,862
Company contributions paid to money purchase pension schemes	-	6,000

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 30 September 2013

5. STAFF COSTS

	Year ended 30 September 2013	9 months ended 30 September 2012
	£	£
Wages and salaries	4,441,082	4,180,858
Share-based payments	157,941	12,771
Social security costs	571,072	468,683
Pension costs	95,794	64,115
	5,265,889	4,726,427

The average monthly number of employees (including directors) during the period was as follows:

	Year ended 30 September 2013	9 months ended 30 September 2012
	No.	No.
Management	3	4
Development	26	26
Sales and marketing	15	18
Consultancy and support	22	32
	66	80

6. INTEREST AND SIMILAR INCOME

	Year ended 30 September 2013	9 months ended 30 September 2012
	£	£
Interest receivable from group undertakings	1,491,913	64,958

7. INTEREST PAYABLE AND SIMILAR CHARGES

	Year ended 30 September 2013	9 months ended 30 September 2012
	£	£
Bank interest paid	-	304,253

8. TAX ON PROFIT ON ORDINARY ACTIVITIES

a) Tax on profit on ordinary activities

	Year ended 30 September 2013	9 months ended 30 September 2012
	£	£
Current tax		
United Kingdom corporation tax charge/(credit)	44,410	(183,608)
Foreign taxes	46,834	-
Double tax relief	(44,410)	-
Total current tax charge/(credit)	46,834	(183,608)
Deferred tax		
Origination and reversal of timing differences	(2,685,920)	-
Total deferred tax credit	(2,685,920)	-
Total tax credit on profit on ordinary activities	(2,639,086)	(183,608)

8. TAX ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

b) Factors affecting current tax for the period:

The different between the total current tax shown above and the amounts calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	year ended 30 September 2013	9 months ended 30 September 2012
	£	£
Profit on ordinary activities before tax	17,369,731	21,925,581
Tax on profit on ordinary activities at standard UK corporation rate of 23.5% (2012 – 24.66%)	4,081,649	5,407,777
Effects of:		
Expenses not deductible for tax purposes	141,060	385,254
Income not taxable for tax purposes	(4,095,936)	(2,410,051)
Inter-company loans written back	-	(3,526,819)
Depreciation (less than)/in excess of capital allowances	52,073	82,075
Movement in short-term timing differences	(84,768)	22,421
Additional deduction for R&D expenditure	(49,028)	(381,807)
Surrendered tax losses for R&D tax credit refund	-	198,199
Unrelieved tax losses in the period	22,822	537,652
Relief for stock options exercised under part 12 CTA 2009	(23,362)	(498,309)
Foreign tax credits	2,324	-
Current tax credit for the period	46,834	(183,608)

The Finance Act 2013, provided for a reduction in the main rate of corporation tax rate from 23% to 21% effective 1 April 2014, and also provided for a reduction in the main rate of corporation tax from 21% to 20% effective from 1 April 2015. This was substantially enacted on 17 July 2013.
The average corporation tax rate applicable by the Company in the year to 30 September 2013 was 23.50%.

DEFERRED TAX

	£
At 1 October 2012	-
Credited to profit and loss account in the year	2,685,920
At 30 September 2013	2,685,920

Deferred tax asset of £2,685,920 (2012: £0) has been recognised as the company expects to generate taxable profits for the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 30 September 2013

8. TAX ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

The amount of deferred tax asset recognised in the financial statements is:

	Provided 2013 £	Provided 2012 £	Unprovided 2013 £	Unprovided 2012 £
Depreciation in excess of capital allowances	-	-	445,698	461,585
Other short term timing differences	15,075	-	-	22,378
Trading losses	2,670,845	-	-	3,150,042
	2,685,920	-	445,698	3,634,005

Deferred tax assets of £2,685,920 (2012:£nil) have been recognised as the company expects to generate taxable profits to be able to offset these assets, however due to the large amount of trading losses, no deferred tax asset has been recognised relating to fixed assets during the year.

9. TANGIBLE FIXED ASSETS

	Fixtures, fittings and equipment £
Cost:	
At 1 October 2012	2,413,651
Additions in the period	470,998
Disposals in the period	(2,157,541)
At 30 September 2013	727,108
Depreciation:	
At 1 October 2012	2,171,677
Charged in the year	221,960
Disposals during the period	(2,157,541)
At 30 September 2013	236,096
Net book value:	
At 30 September 2013	491,012
At 30 September 2012	241,974

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 30 September 2013

10. INVESTMENTS

Company	Investments in subsidiary undertakings
	£
At 1 October 2012	88,917
Disposals (see note a)	(88,917)
At 30 September 2013	-

Notes:

(a) On 11 March 2013, the company disposed of 100% of its ownership in Adeptra Pty Limited, a company registered in Australia, to Fair Isaac (ASPAC) Pty Limited.

The investment disposed of and related proceeds were as follows:

	£
Investment in subsidiary undertaking	88,917
Investment cost	88,917
Gain on disposal of investment in Adeptra Pty Limited	17,429,780
Valuation of Adeptra Pty Limited at 11 March 2013	17,518,697

The company holds 100% of the share capital of the following companies:

	Country of registration or incorporation	*Holding*	*Proportion of voting rights and shares held*	*Nature of business*
Adeptra Europe Limited	England	Ordinary Shares	100%	Dormant
Adeptra Services Limited	England	Ordinary Shares	100%	Dormant
Adeptra Employee Trust Limited	England	Ordinary Shares	100%	Employee Benefit Trust

11. DEBTORS: AMOUNTS DUE IN MORE THAN ONE YEAR

	30 September 2013	31 December 2012
	£	£
Trade debtors	3,131,148	2,954,353
Other debtors	40,000	78,617
Amounts due from group companies	20,763,954	1,001,646
Deferred tax asset	2,685,920	-
Prepayments and accrued income	410,327	114,754
Corporation tax recoverable	288,900	447,338
	27,320,249	4,596,708

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 30 September 2013

12. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30 September 2013	31 December 2012
	£	£
Amounts due from parent company	18,767,687	19,140,539

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 September 2013	31 December 2012
	£	£
Trade creditors	186,195	101,705
Amounts due from group companies	3,322,013	30,007
Other taxes and social security costs	504,712	1,593,727
Accruals and deferred income	933,177	1,053,976
Other creditors	8,729	37,080
	4,954,826	2,816,495

14. ISSUED SHARE CAPITAL

		30 September 2013		31 December 2012
Allotted, called up and fully paid:	No.	£	No.	£
Ordinary shares of 1p each	254,658,349	2,546,583	254,658,349	2,546,583

15. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	Share capital	Share premium account	Profit and loss account	Share-holders' funds
	£	£	£	£
At 1 October 2012	2,546,583	32,681,584	(11,156,251)	24,071,916
Retained profit for the year	-	-	20,008,817	20,008,817
Share-based payments	-	-	157,942	157,942
At 30 September 2013	2,546,583	32,681,584	9,010,508	44,238,675

16. OTHER FINANCIAL COMMITMENTS

At 30 September 2013 the company had annual commitments under non-cancellable operating leases as set out below:

Land and buildings

	2013	2012
	£	£
Operating leases which expire:		
Within one year	230,000	230,000

Plant and machinery

	2013	2012
	£	£
Operating leases which expire:		
Within one year	-	354
In two to five years	3,549	-

17. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption granted within FRS8, which does not require the disclosure of transactions between two or more members of a group, provided that all subsidiaries which are party to the transaction are wholly-owned by the group.

18. SHARE BASED PAYMENTS

Description of Stock Option and Share Plans

Adeptra Limited EMI Share Option Scheme

During the period, nil options were granted (31 September 2012 – nil) under the rules of the Scheme. Options on nil ordinary shares (31 September 2012 – 25,000) were forfeited during the year and nil (31 September 2012 – 87,500) were cancelled. Options on no ordinary shares were exercised under this scheme during the period (31 September 2012 – 4,707,292). The share options were exercisable between the date of granting and ten years after. This left a balance of options over no ordinary shares at 30 September 2012 (31 September2012 – nil).

2001 Share Option Scheme

During the period, nil options were granted over ordinary shares (31 September 2012 – 2,064,432) and nil options were granted over D shares (31 September 2012 – 227). Under the rules of the Scheme, options on a total of nil ordinary shares (31 September 2012 – 50,000) were forfeited during the year and nil (31 September 2012 – 1,028,568) were cancelled. Options on nil ordinary shares and nil D shares were exercised under this scheme during the period (31 September 2012 – 8,071,281 ordinary shares and 227 D shares). The share options were exercisable between the date of granting and ten years after. , This left a balance of options over nil ordinary shares (31 September 2012 – nil) and nil D shares (31 September 2012 – nil) at 30 September 2013.

The company operated an approved and unapproved share option scheme for all of its employees. Options were granted in Fair Isaac Corporation, a US company incorporated in the state of Delaware and listed on the NYSE (ticker-FICO).

18. SHARE BASED PAYMENTS (CONTINUED)

Fair Isaac Corporation, has equity awards outstanding under two plans, the 1992 Long-term Incentive Plan ("1992 Plan") and the 2012 Long-Term Incentive Plan ("2012 Plan"). The 1992 Plan has expired by its terms and no new equity awards can be granted under this Plan. Under the 2012 Plan, Fair Isaac may grant stock options, stock appreciation rights, restricted stock, restricted stock units and common stock to officers, key employees and non-employee directors of Fair Isaac and its subsidiaries.

Stock options under both the 1992 Plan and the 2012 Plan are exercisable at a price equal to the market value of FICO stock at the date the option was granted; 25% of the options vest on the four anniversaries following the grant date. If the options remain unexercised after a period of 7 years (certain options are 10 years) from the date of grant then they expire. If an employee leaves the company then he or she may have up to 90 days to exercise their options before the option is forfeited.

Restricted stock units (RSU's) under both the 1992 Plan and 2012 Plan are granted and issued at $0.00 cost to the employee. These units generally vest at 25% on the four anniversaries following the grant date and should the employee leave the company all unvested RSUs are forfeited. Performance RSU grants are made to executives of Fair Isaac who serve as board members of the company, these awards may be granted with differing vesting schedules and specific performance targets.

Unapproved Share Option Scheme

Details of the share options outstanding during the year are as follows:

	2013		2012	
	Number of share options	Weighted average exercise price (US$)	Number of share options	Weighted average exercise price (US$)
Granted during the period	3,750	41.89	-	-
Forfeited during the period	(3,750)	41.89	-	-
Outstanding at the end of the period	-	-	-	-
Exercisable at the end of the period	-	-	-	-

There were no unapproved stock options outstanding at 30 September 2013. In 2013 unapproved options were granted on 13 December 2012, but these were forfeited in the period; the aggregate value of the estimated fair values of the unapproved stock options granted is US$46,125. In 2012 there were no unapproved stock options granted.

18. SHARE BASED PAYMENTS (CONTINUED)

Restricted Stock Units (RSUs)

Details of the RSUs outstanding during the year are as follows:

	2013		2012	
	Number of share options	Weighted average exercise price (US$)	Number of share options	Weighted average exercise price (US$)
Outstanding at the beginning of the period	49,000	0.00	-	0.00
RSUs granted in 2012 not previously reported	3,000	0.00	49,000	0.00
Granted during the period	3,750	0.00	-	0.00
Forfeited during the period	(23,750)	0.00	-	0.00
Released during the period	(8,000)	0.00	-	0.00
Outstanding at the end of the period	24,000	0.00	49,000	0.00

The restricted stock units outstanding at 30 September 2013 had a weighted average exercise price of US$0.00 and a weighted average contractual life 3 years. In 2013 restricted stock units were granted on 13 December 2012; the aggregate value of the estimated fair values of the restricted stock units granted on those dates is US$155,850. In 2012 restricted stock units were granted on 7 September 2012. The aggregate value of the estimated fair values of the restricted stock units granted on those dates is US$2,220,000.

Financial Year of grant	Normal date of exercise	No of shares (2013)	No of shares (2012)
30/09/12	2013 - 2019	24,000	49,000

The expense recognised in the profit and loss account under FRS 20 'Share-Based Payments' in respect of the 1992 Plan during the period to 30 September 2013 is £157,941 (2012: £12,771).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 30 September 2013

18. SHARE BASED PAYMENTS (CONTINUED)

Determining Fair Value

The company estimate the fair value of options granted using the Black-Scholes option valuation model. The company estimate the volatility of our common stock at the date of grant based on a combination of the implied volatility of publicly traded options on our common stock and our historical volatility rate consistent with FRS 20.

The company elected to use the simplified method as we changed the contractual life for share-based awards from ten to seven years starting in fiscal 2006. The simplified method calculates the expected term as the average of the vesting and contractual terms of the award. Previously, we estimated expected term based on historical exercise patterns. The dividend yield assumption is based on historical dividend payouts. The risk-free interest rate assumption is based on observed interest rates appropriate for the term of our employee options. We use historical data to estimate pre-vesting option forfeitures and record share-based compensation expense only for those awards that are expected to vest. For options granted, we amortize the fair value on a straight-line basis over the vesting period of the options.

The company used the following assumptions to estimate the fair value of share-based payment awards during fiscal 2013 and 2012:

Stock Options:	2013	2012
Average expected term (years)	4.10	4.31
Expected volatility (range)	35-37%	38-41%
Weighted average volatility	37%	40%
Risk-free interest rate (range)	0.5-1.1%	0.5-1.5%
Average expected dividend yield	0.2%	0.3%
Expected dividend yield	0.2%	0.2-0.3%

19. PARENT COMPANY AND ULTIMATE CONTROLLING PARTY

The immediate parent company is Fair Isaac Software Holdings Limited, a company incorporated in England and Wales. Fair Isaac Corporation, a company incorporated in the state of Delaware, United States of America and listed on the New York Stock Exchange, is the company's ultimate parent company and controlling party at the balance sheet date and the smallest and largest entity preparing the consolidated accounts which include the results of Fair Isaac (Adeptra) Limited.

Copies of the consolidated financial statements of Fair Isaac Corporation are available from Cottons Centre, 5th Floor, Hays Lane, London SE1 2QP and on the web site at www.fico.com.