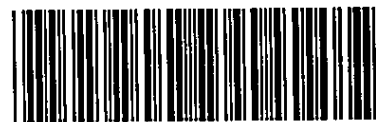


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**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011
FOR
KEERESOURCES LIMITED**

SATURDAY



A11 "A1H2PINS" #152
22/09/2012
COMPANIES HOUSE

KEERESOURCES LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

| | Page |
|---|-------------|
| Company Information | 1 |
| Report of the Directors | 2 |
| Report of the Independent Auditors | 5 |
| Profit and Loss Account | 7 |
| Balance Sheet | 8 |
| Notes to the Financial Statements | 9 |

KEERESOURCES LIMITED

COMPANY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2011

DIRECTORS.

Mr D H Keenan
Mr M J Wallace
Mr M W Heal
Mr M N Jowsey
Mr P N Cole
Mr D K Potts
Mr J L Davies

SECRETARY:

Mrs J C F Keenan

REGISTERED OFFICE:

Automotive House
65-69 London Road
High Wycombe
Buckinghamshire
HP11 1BN

REGISTERED NUMBER.

04437124 (England and Wales)

AUDITORS.

Stoten Gillam Limited
Chartered Accountants
& Registered Auditors
Alban House
99 High Street South
Dunstable
Bedfordshire
LU6 3SF

KEERESOURCES LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2011

The directors present their report with the financial statements of the company for the year ended 31 December 2011

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of technical expertise, proprietary & bespoke software solutions, and data to the asset finance, leasing company, vehicle manufacturing, franchised dealer networks and the general automotive industry

REVIEW OF BUSINESS

KeeResources' main business activity is conducted in the UK, with a small proportion internationally in 2011, with an aim to continue expansion in the UK, but with a greater emphasis on international sales ongoing

From January 1st 2011, all business activities transacted by the two wholly owned subsidiary companies, KWIKsystems Ltd, and KWIKcarcost Ltd, have been amalgamated into KeeResources, and KeeResources Ltd is now the sole trading entity

2011 has been a remarkable year for the company, starting early in the year with the purchase and very high level setup of our new 8,000 sq ft Automotive House Headquarters in High Wycombe, complete with training facilities and theatre style meeting facilities

During 2011 the company contracted with Leasedrive to incept our KWIKfleetware platform complete with our KWIKvehicledata across two operationally merging entities - Leasedrive and Masterlease, with just one highlight being the financial migration integrity of the MasterLease entity being proven in an exceptionally short four month period (thanks at least in part to an extremely capable client financial team) This is a truly notable project as, in merging these two entities, from two wholly disparate (and very old, in the case of Masterlease) systems, and with wholly different operational business styles, but with a similar very high-level Client service ethos, we have undoubtedly proven the strength of our KWIKfleetware platform and our team to the industry at large We believe this project to be a world first in near-simultaneously migrating two systems into a single new platform leasing application This very successful project was perhaps all the more remarkable in that the Masterlease entity had failed and abandoned inception of at least two prior full mainframe systems in recent years in the hands of its prior owners

Investment in our KWIKvehicledata data platform is reaping benefits since its launch in early 2012 already, with a very wide spectrum of interest, and extending our reach into new business sectors

RESULTS

KeeResources' continues to maintain a very high degree of spend on R & D and internal development to ensure that we can provide excellence in our software solutions and data, attempting to future-proof the gains our clients can enjoy

Even with this spend, and the significant one-off setup costs for amalgamation of the 3 companies and the purchase of Automotive House, the company has produced a respectable pre-tax profit of £259,000 (2010, group consolidated of £141,000) for the year on sales of £2.8m (2010, group consolidated of £1.9m) Whilst prior years' profitability has been heavily diluted by internal investment, the directors believe that our very significant spend on R & D and internal development in those prior years is now proving its benefits in markedly increasing sales (+47%) and profit (+83%), and we remain committed to these levels of investment as the most robust method of securing the company's growth over future years This is borne out further in 2012, with some remarkable sales successes gained via our investment strategy and hard work by all

FUTURE DEVELOPMENTS

As is common in our industry, our risks largely only lie around cash and recruitment capability (at high competency levels) to attain resources sufficient to be able expand totally at will, and to meet a potentially far higher level of demand than we have in current planning Our general business model is very scalable, and we can readily meet all the demands of our more generic planned growth, which, while still significant, ultimately delivers a lower curve of growth than we could potentially deliver, unconstrained by these factors

KEERESOURCES LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2011

Whilst the general world economy has evidence of double-dip in many territories, and with the EU notable for its current instability (in the financial sector of virtually every country, and the automotive manufacturing sector of all), the directors now firmly believe that this, in itself, will not significantly damage our intended International growth strategy

In 2012, several new business opportunities have presented themselves, and with an ever-increasing staff and facilities, we are ideally placed to incept the KWIKfleetware platform, quickly followed by the majority of our other products (systems and data) relatively soon thereafter in these markets

Our underlying confidence is multi-faceted. We are now in a strong position to operate leap-frog inceptions on all, even major, platforms, data feeds (even on genuinely bespoke feeds) which enables us, unlike most, to be able to deliver-to-live in acceptable timescales. This has since been proven very successfully in 2012, but could still prove challenging if genuinely very high or potentially excessive demand versus plan occurs.

The challenges the last few years have presented our target sectors since the global crisis of 2008 have resulted in a general lack of investment in systems and data across a significant proportion of the industry. It is likely that the majority of our UK and international KWIKfleetware future sales and KWIKvehicledata and bespoke system work will be driven by the need to "catch up". Some of these systems were already out of date before the crisis and in some cases are now so old they are rapidly becoming technically "unsupportable". As a board, we believe this has been reached sooner than most entities would have wished. In a significant number of cases these businesses are now suffering operational business-handling malaise, which for the first time we believe makes the purchase of a new mainframe operating system genuinely and actually cost-positive, and no longer solely a long-view strategic decision (which has traditionally driven most major purchase decisions).

This is particularly true now, primarily due to dramatically differing new vehicle technology coming to market worldwide, which both our systems and data are fully prepped to deal with, again, unlike most others.

Provably high quality offerings across all platforms and data feeds are gaining recognition Europe wide, from the vehicle manufacturers and by the leasing industry. Both sectors are suffering the effects of aggressive sales strategies and ever increasing (and feasibly unsustainable) costs, with no genuinely new solutions, data products or services from the majority of our competitors for years.

Our ability to deliver a ready-to-go, single source solution, complete with exceptional data, looking and feeling as they wish, is a thoroughly compelling consideration for many buyers of our various types of systems.

Our provable reputation for successful deployments cannot be underestimated, as it is singly the most important purchase decision (often even over ultimate cost) to most buyers, and the (frequently unsolicited) referrals we gain from these inceptions bear fruit continually. Failed or significantly delayed deployments are exceptionally business-damaging and by definition hugely costly for the buyer, and these factors weigh incredibly heavily in the ultimate purchase decision.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2011 to the date of this report.

Mr D H Keenan
Mr M J Wallace

Other changes in directors holding office are as follows:

Mr M W Heal - appointed 29 January 2011
Mr M N Jowsey - appointed 31 March 2011

Mr P N Cole, Mr D K Potts and Mr J L Davies were appointed as directors after 31 December 2011 but prior to the date of this report.

KEERESOURCES LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2011

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 judgements and accounting 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each 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 auditors are aware of that information.

AUDITORS

The auditors, Stoten Gillam Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD



Mrs J C F Keenan - Secretary

18 September 2012

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF KEERESOURCES LIMITED

We have audited the financial statements of Keeresources Limited for the year ended 31 December 2011 on pages seven to nineteen. 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 a Report of the Auditors 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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 Report of the Directors 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 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.

Other matter

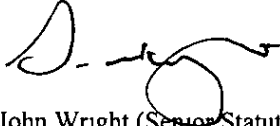
The financial statements of Keeresources Limited for the year ended 31 December 2010 were not audited.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF KEERESOURCES LIMITED

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 Report of the Directors



John Wright (Senior Statutory Auditor)
for and on behalf of Stoten Gillam Limited
Chartered Accountants
& Registered Auditors
Alban House
99 High Street South
Dunstable
Bedfordshire
LU6 3SF

19 September 2012

KEERESOURCES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2011

| | Notes | 2011 £ | 2010 £ |
|--|-------|-----------------------|----------------------|
| TURNOVER | 2 | 2,813,156 | 752,631 |
| Cost of sales | | <u>26,016</u> | <u>38,120</u> |
| GROSS PROFIT | | 2,787,140 | 714,511 |
| Administrative expenses | | <u>2,503,020</u> | <u>632,054</u> |
| | | 284,120 | 82,457 |
| Other operating income | | <u>-</u> | <u>225</u> |
| OPERATING PROFIT | 3 | 284,120 | 82,682 |
| Income from shares in group undertakings | | <u>415,000</u> | <u>-</u> |
| | | 699,120 | 82,682 |
| Interest payable and similar charges | 4 | <u>24,722</u> | <u>2,270</u> |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 674,398 | 80,412 |
| Tax on profit on ordinary activities | 5 | <u>53,512</u> | <u>16,277</u> |
| PROFIT FOR THE FINANCIAL YEAR | | <u>620,886</u> | <u>64,135</u> |

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year

The notes form part of these financial statements

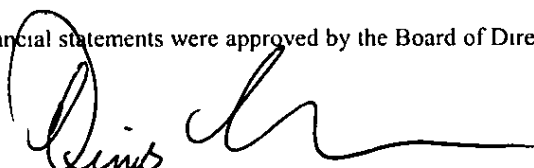
KEERESOURCES LIMITED

BALANCE SHEET 31 DECEMBER 2011

| | Notes | 2011 £ | 2010 £ |
|--|-------|-------------------------|-----------------------|
| FIXED ASSETS | | | |
| Intangible assets | 6 | 971,000 | 916,000 |
| Tangible assets | 7 | 1,282,282 | 129,423 |
| Investments | 8 | 1,100 | 1,100 |
| | | <u>2,254,382</u> | <u>1,046,523</u> |
| CURRENT ASSETS | | | |
| Debtors | 9 | 671,365 | 332,216 |
| Cash at bank | | 132,084 | 110,213 |
| | | <u>803,449</u> | <u>442,429</u> |
| CREDITORS | | | |
| Amounts falling due within one year | 10 | 1,205,694 | 847,660 |
| NET CURRENT LIABILITIES | | <u>(402,245)</u> | <u>(405,231)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>1,852,137</u> | <u>641,292</u> |
| CREDITORS | | | |
| Amounts falling due after more than one year | 11 | (643,365) | (65,244) |
| PROVISIONS FOR LIABILITIES | 15 | (33,748) | (21,910) |
| NET ASSETS | | <u><u>1,175,024</u></u> | <u><u>554,138</u></u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 16 | 1,125 | 1,125 |
| Share premium | 17 | 49,875 | 49,875 |
| Revaluation reserve | 17 | 291,000 | 291,000 |
| Profit and loss account | 17 | 833,024 | 212,138 |
| SHAREHOLDERS' FUNDS | 21 | <u><u>1,175,024</u></u> | <u><u>554,138</u></u> |

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved by the Board of Directors on 18 September 2012 and were signed on its behalf by



Mr D H Keenan - Director

The notes form part of these financial statements

KEERESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax, except in respect of service contracts where turnover is recognised when the company obtains the right to consideration

Development costs

The company incurred costs relating to the development of enhanced valuation products. The development expenditure on this project have been capitalised at cost by the directors in accordance with the provisions of SSAP13

Intellectual property

The Intellectual Property Rights for the FleetWare and CarCost products, comprising the source code, databases and related copyrights thereon were acquired by the company from KWIKsystems Ltd, and KWIKcarcost Ltd, which are wholly owned subsidiaries. The return on the investments in intellectual property is therefore now reflected in the results of this company.

It is the opinion of the directors that the already considerable strength of the intellectual property, now residing in the company, is being further increased annually as a result of continuing development and enhancement over the year.

The total intellectual property has been capitalised at cost and therefore very conservatively re-valued to an open market value by the directors in accordance with the provisions in FRS10.

In the opinion of the Directors the intellectual property has an infinite life as it is being continually developed. On this basis no amortisation has been charged as any such charge would be immaterial.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

| | |
|-------------------------|----------------|
| Land and buildings | - not provided |
| Plant and machinery etc | - 33% on cost |

In the opinion of the Directors the land and buildings are expected to have a long useful economic life and the residual value is expected to be high, as the buildings are maintained to a high standard. No depreciation is charged as any such charge required would be immaterial.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

KEERESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2011

1 ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

2 TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market for the year ended 31 December 2011 is given below.

| | |
|----------------|----------------|
| United Kingdom | 94.78% |
| Europe | 4.17% |
| Asia | 1.04% |
| | <u>100.00%</u> |

This analysis is not considered to be applicable to the year ended 31 December 2010.

3 OPERATING PROFIT

The operating profit is stated after charging

| | 2011 | 2010 |
|--|----------------|----------------|
| | £ | £ |
| Other operating leases | 52,498 | - |
| Depreciation - owned assets | 42,600 | 15,954 |
| Depreciation - assets on hire purchase contracts | 39,097 | 14,278 |
| Auditors' remuneration | 7,000 | - |
| Pension costs | 42,331 | 14,073 |
| Hire of plant and machinery | 69,487 | 19,541 |
| | <u>385,509</u> | <u>249,542</u> |
| Directors' remuneration and other benefits etc | <u>385,509</u> | <u>249,542</u> |

The number of directors to whom retirement benefits were accruing was as follows:

| | | |
|------------------------|----------|----------|
| Money purchase schemes | <u>4</u> | <u>2</u> |
|------------------------|----------|----------|

KEERESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2011

4 INTEREST PAYABLE AND SIMILAR CHARGES

Interest payable and similar charges includes the following

| | 2011 | 2010 |
|---------------|--------------|--------------|
| | £ | £ |
| Hire purchase | <u>5,104</u> | <u>2,270</u> |

5 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

| | 2011 | 2010 |
|--------------------------------------|---------------|---------------|
| | £ | £ |
| Current tax | | |
| UK corporation tax | 41,674 | 3,829 |
| Deferred tax | <u>11,838</u> | <u>12,448</u> |
| Tax on profit on ordinary activities | <u>53,512</u> | <u>16,277</u> |

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

| | 2011 | 2010 |
|--|-----------------|-----------------|
| | £ | £ |
| Profit on ordinary activities before tax | <u>674,398</u> | <u>80,412</u> |
| Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.250% (2010 - 21%) | 136,566 | 16,887 |
| Effects of | | |
| Expenses not deductible for tax purposes | 1,139 | 533 |
| Income not taxable for tax purposes | (84,045) | (47) |
| Capital allowances in excess of depreciation | <u>(11,986)</u> | <u>(13,544)</u> |
| Current tax charge | <u>41,674</u> | <u>3,829</u> |

KEERESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2011

6 INTANGIBLE FIXED ASSETS

| | Other intangible assets £ |
|--------------------------|------------------------------------|
| COST OR VALUATION | |
| At 1 January 2011 | 916,000 |
| Additions | 55,000 |
| At 31 December 2011 | <u>971,000</u> |
| NET BOOK VALUE | |
| At 31 December 2011 | <u>971,000</u> |
| At 31 December 2010 | <u>916,000</u> |

Cost or valuation at 31 December 2011 is represented by

| | Other intangible assets £ |
|-------------------|------------------------------------|
| Valuation in 2008 | 291,000 |
| Cost | 680,000 |
| | <u>971,000</u> |

If intellectual property had not been revalued they would have been included at the following historical cost

| | 2011 £ | 2010 £ |
|------|----------------|----------------|
| Cost | <u>680,000</u> | <u>625,000</u> |

The intellectual property was valued on an open market basis on 31 December 2011 by the directors

KEERESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2011

7 TANGIBLE FIXED ASSETS

| | Land and buildings £ | Plant and machinery etc £ | Totals £ |
|-----------------------|----------------------------|------------------------------------|------------------|
| COST | | | |
| At 1 January 2011 | - | 196,619 | 196,619 |
| Additions | 1,048,750 | 185,806 | 1,234,556 |
| | <u>1,048,750</u> | <u>382,425</u> | <u>1,431,175</u> |
| At 31 December 2011 | 1,048,750 | 382,425 | 1,431,175 |
| DEPRECIATION | | | |
| At 1 January 2011 | - | 67,196 | 67,196 |
| Charge for year | - | 81,697 | 81,697 |
| | <u>-</u> | <u>148,893</u> | <u>148,893</u> |
| At 31 December 2011 | - | 148,893 | 148,893 |
| NET BOOK VALUE | | | |
| At 31 December 2011 | 1,048,750 | 233,532 | 1,282,282 |
| | <u>1,048,750</u> | <u>233,532</u> | <u>1,282,282</u> |
| At 31 December 2010 | - | 129,423 | 129,423 |
| | <u>-</u> | <u>129,423</u> | <u>129,423</u> |

Fixed assets, included in the above, which are held under hire purchase contracts are as follows

| | Plant and machinery etc £ |
|---|------------------------------------|
| COST | |
| At 1 January 2011 and 31 December 2011 | 125,542 |
| DEPRECIATION | |
| At 1 January 2011 | 26,741 |
| Charge for year | 39,097 |
| | <u>65,838</u> |
| At 31 December 2011 | 65,838 |
| NET BOOK VALUE | |
| At 31 December 2011 | 59,704 |
| | <u>59,704</u> |
| At 31 December 2010 | 98,801 |
| | <u>98,801</u> |

KEERESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2011

8 FIXED ASSET INVESTMENTS

| | Shares in group undertakings £ |
|-----------------------|---|
| COST | |
| At 1 January 2011 | |
| and 31 December 2011 | <u>1,100</u> |
| NET BOOK VALUE | |
| At 31 December 2011 | <u>1,100</u> |
| At 31 December 2010 | <u>1,100</u> |

The company's investments at the balance sheet date in the share capital of companies include the following

KwikSystems Limited

Nature of business Expertise and systems to the automotive industry

| | % holding | 2011 £ | 2010 £ |
|--------------------------------|--------------|--------------|----------------|
| Class of shares | | | |
| Ordinary £1 | 100 00 | | |
| Aggregate capital and reserves | | <u>4,950</u> | <u>420,700</u> |
| (Loss)/profit for the year | | <u>(750)</u> | <u>3,015</u> |

A dividend of £415,000 (2010 £nil) was paid to Keeresources Limited during the year

KwikCarCost Limited

Nature of business Expertise and systems to the automotive industry

| | % holding | 2011 £ | 2010 £ |
|--------------------------------|--------------|----------------|----------------|
| Class of shares | | | |
| Ordinary £1 | 100 00 | | |
| Aggregate capital and reserves | | <u>(5,660)</u> | <u>(5,360)</u> |
| (Loss)/profit for the year | | <u>(300)</u> | <u>54,312</u> |

9 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2011 £ | 2010 £ |
|---------------|----------------|----------------|
| Trade debtors | <u>477,136</u> | <u>226,496</u> |
| Other debtors | <u>194,229</u> | <u>105,720</u> |
| | <u>671,365</u> | <u>332,216</u> |

KEERESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2011

10 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2011 | 2010 |
|---|------------------|----------------|
| | £ | £ |
| Bank loans and overdrafts (see note 12) | 61,295 | - |
| Hire purchase contracts (see note 13) | 27,780 | 34,471 |
| Trade creditors | 39,055 | 26,913 |
| Tax | 41,674 | 3,829 |
| Social security and other taxes | 63,412 | 18,894 |
| VAT | 111,936 | 23,690 |
| Other creditors | 4,087 | 4,279 |
| Intercompany loan account | - | 547,715 |
| Directors' current accounts | 63,712 | 64,811 |
| Deferred income | 739,600 | 103,870 |
| Accruals | 53,143 | 19,188 |
| | <u>1,205,694</u> | <u>847,660</u> |

11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2011 | 2010 |
|---------------------------------------|----------------|---------------|
| | £ | £ |
| Bank loans (see note 12) | 612,351 | - |
| Hire purchase contracts (see note 13) | 31,014 | 65,244 |
| | <u>643,365</u> | <u>65,244</u> |

12 LOANS

An analysis of the maturity of loans is given below

| | 2011 | 2010 |
|--|----------------|----------|
| | £ | £ |
| Amounts falling due within one year or on demand | | |
| Bank loans | <u>61,295</u> | <u>-</u> |
| Amounts falling due between one and two years | | |
| Bank loans - 1-2 years | <u>61,295</u> | <u>-</u> |
| Amounts falling due between two and five years | | |
| Bank loans - 2-5 years | <u>183,886</u> | <u>-</u> |
| Amounts falling due in more than five years | | |
| Repayable by instalments | | |
| Bank loans more 5 yr by instal | <u>367,170</u> | <u>-</u> |

KEERESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2011

13 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

| | Hire purchase contracts | |
|----------------------------|-------------------------|---------------|
| | 2011 | 2010 |
| | £ | £ |
| Net obligations repayable | | |
| Within one year | 27,780 | 34,471 |
| Between one and five years | 31,014 | 65,244 |
| | <u>58,794</u> | <u>99,715</u> |

The following operating lease payments are committed to be paid within one year

| | Land and buildings | | Other operating leases | |
|----------------------------|--------------------|---------------|------------------------|---------------|
| | 2011 | 2010 | 2011 | 2010 |
| | £ | £ | £ | £ |
| Expiring | | | | |
| Within one year | 19,500 | 24,153 | 6,663 | 7,231 |
| Between one and five years | - | - | 44,635 | 20,954 |
| | <u>19,500</u> | <u>24,153</u> | <u>51,298</u> | <u>28,185</u> |

14 SECURED DEBTS

The following secured debts are included within creditors

| | 2011 | 2010 |
|-------------------------|----------------|---------------|
| | £ | £ |
| Bank loans | 673,646 | - |
| Hire purchase contracts | 58,794 | 99,715 |
| | <u>732,440</u> | <u>99,715</u> |

The bank loan is a mortgage which is secured against the freehold property Automotive House, 65-69 London Road, High Wycombe, Buckinghamshire, HP11 1BN

15 PROVISIONS FOR LIABILITIES

| | 2011 | 2010 |
|--------------|--------|--------|
| | £ | £ |
| Deferred tax | 33,748 | 21,910 |

KEERESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2011

15 PROVISIONS FOR LIABILITIES - continued

| | Deferred tax £ |
|---|----------------------|
| Balance at 1 January 2011 | 21,910 |
| Charge to profit and loss account during year | 11,838 |
| Balance at 31 December 2011 | <u>33,748</u> |

The deferred tax liability arises from accelerated capital allowances

16 CALLED UP SHARE CAPITAL

| Number | Class | Nominal value | 2011 £ | 2010 £ |
|--------|------------|------------------|--------------|--------------|
| 1,000 | Ordinary A | £1 | 1,000 | 1,000 |
| 125 | Ordinary B | £1 | 125 | 125 |
| | | | <u>1,125</u> | <u>1,125</u> |

Each 'A' share is entitled to one vote in any circumstance. Each 'A' share is entitled pari passu to dividend payments or any other distribution. Each 'A' share is entitled pari passu to participate in a distribution arising from a winding up of the company.

The 'B' ordinary shares have no voting rights and no right to attend at, or vote, at general meetings but on liquidation or other winding up of the company, the holders of 'B' ordinary shares have the right to be paid £400 per 'B' share in priority to any payment being made on the 'A' shares. On sale of the company the holders of 'B' shares have the right to an equal value per 'B' share to the sale value per 'A' share.

17 RESERVES

| | Profit and loss account £ | Share premium £ | Revaluation reserve £ | Totals £ |
|---------------------|------------------------------------|-----------------------|-----------------------------|------------------|
| At 1 January 2011 | 212,138 | 49,875 | 291,000 | 553,013 |
| Profit for the year | 620,886 | | | 620,886 |
| At 31 December 2011 | <u>833,024</u> | <u>49,875</u> | <u>291,000</u> | <u>1,173,899</u> |

18 TRANSACTIONS WITH DIRECTORS

During the year the directors operated loan accounts with the company. At the year end two of the directors had balances due to the company and the amounts owed were £1,530 and £634.

KEERESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2011

19 RELATED PARTY DISCLOSURES

Mr D H Keenan

Is a director and shareholder of the company

The director maintained a current account with the company to record amounts due to and from the company

| | 2011 | 2010 |
|---|---------------|---------------|
| | £ | £ |
| Amount due to related party at the balance sheet date | <u>63,630</u> | <u>61,661</u> |

Kwikcarcost Limited

Subsidiary company

During the year, Keeresources Limited operated loan accounts with it subsidiary companies

| | 2011 | 2010 |
|---|--------------|---------------|
| | £ | £ |
| Amount due to related party at the balance sheet date | <u>1,485</u> | <u>72,431</u> |

Kwiksystems Limited

Subsidiary company

During the year, Keeresources Limited operated loan accounts with it subsidiary companies

| | 2011 | 2010 |
|--|--------------|------------------|
| | £ | £ |
| Amount due from/(to) related party at the balance sheet date | <u>4,404</u> | <u>(475,284)</u> |

KwikDataAuto Systems LLC

USA company in which D Keenan & M Wallace are director & shareholder

During the year, Keeresources Limited operated a loan account with KwikDataAuto Systems LLC

| | 2011 | 2010 |
|---|---------------|---------------|
| | £ | £ |
| Amount due from related party at the balance sheet date | <u>39,988</u> | <u>39,988</u> |

20 ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Mr D H Keenan

KEERESOURCES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2011

21 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 2011 | 2010 |
|-------------------------------------|-----------|---------|
| | £ | £ |
| Profit for the financial year | 620,886 | 64,135 |
| New share capital subscribed | - | 50,900 |
| | <hr/> | <hr/> |
| Net addition to shareholders' funds | 620,886 | 115,035 |
| Opening shareholders' funds | 554,138 | 439,103 |
| | <hr/> | <hr/> |
| Closing shareholders' funds | 1,175,024 | 554,138 |
| | <hr/> | <hr/> |