

Company Registration Number 05121765

Ability Software International Limited

Financial Statements

Period Ended

14th February 2011

FRIDAY



A16QG6TE

A32

13/04/2012

#49

COMPANIES HOUSE

Ability Software International Limited
Financial Statements
Period from 1st January 2010 to 14th February 2011

Contents	Page
Officers and Professional Advisers	1
The Director's Report	2
Independent Auditor's Report to the Shareholder	4
Profit and Loss Account	6
Balance Sheet	7
Notes to the Financial Statements	8

Ability Software International Limited

Officers and Professional Advisers

The Director	C England
Registered Office	3 London Wall Buildings London Wall London EC2M 5SY
Auditor	KPMG Audit LLC Chartered Accountants Statutory Auditor Heritage Court 41 Athol Street Douglas Isle of Man IM99 1HN
Accountants	Wilson Stevens Third Floor 111 Charterhouse Street London EC1M 6AW

Ability Software International Limited

The Director's Report

Period from 1st January 2010 to 14th February 2011

The director presents his report and the financial statements of the company for the period from 1st January 2010 to 14th February 2011

Principal Activities

The principal activity of the company in the period of review was that of software distribution. The company has the license to sell and distribute Ability products worldwide.

On 14th February 2011, the whole of the company's issued share capital was acquired by Rivington Street Ventures Limited, a member of the Rivington Street Holdings group. Subsequent to the acquisition, the company's accounting reference date was changed to 14th February in each year.

Directors

The directors who served the company during the period were as follows:

C England	
S R Clark	(Appointed 11th October 2010)
S M Rush	(Appointed 11th October 2010)
Third Quad Capital Plc	(Resigned 14th February 2011)

S R Clark and S M Rush both resigned as directors of the company on 15th September 2011.

Director's Responsibilities

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law, the director has 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 director must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the director is required to:

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

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the director is aware:

- there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Bespokes Limited resigned as auditors on 1st November 2011 and KPMG Audit LLC were appointed in their place. A resolution to reappoint KPMG Audit LLC for the ensuing year will be proposed at the annual general meeting.

Ability Software International Limited

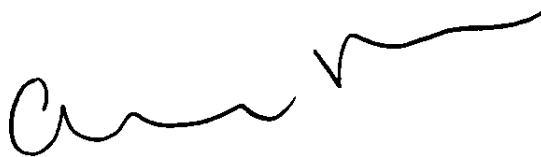
The Director's Report (*continued*)

Period from 1st January 2010 to 14th February 2011

Small Company Provisions

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

Signed by

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

Mr C England
Director

Approved by the director on 23rd February 2012

Ability Software International Limited
Independent Auditor's Report to the Shareholder of
Ability Software International Limited
Period from 1st January 2010 to 14th February 2011

We have audited the financial statements of Ability Software International Limited for the period from 1st January 2010 to 14th February 2011. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholder, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholder those matters we are required to state in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Director and Auditor

As explained more fully in the Director's Responsibilities Statement set out on page 2, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements.

Basis for Qualified Opinion

We were unable to obtain sufficient appropriate audit evidence about the company's sales, cost of sales and administrative expenses as management were not able to access the financial information from the predecessor owners/management. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

Qualified Opinion on Financial Statements

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements

- give a true and fair view of the state of the company's affairs as at 14th February 2011 and of its profit for the period 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 Matters Prescribed by the Companies Act 2006

In our opinion the information given in the Director's Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Ability Software International Limited

**Independent Auditor's Report to the Shareholder of
Ability Software International Limited (*continued*)**

Period from 1st January 2010 to 14th February 2011

Matters on Which We are Required to Report by Exception

Except for the matter described in the Basis for Qualified Opinion paragraph, we have nothing further 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 director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the director was 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 director's report



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

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

23rd February 2012

Ability Software International Limited

Profit and Loss Account

Period from 1st January 2010 to 14th February 2011

	Note	Period from 1 Jan 10 to 14 Feb 11 £	<i>Period from 1 Sep 08 to 31 Dec 09 £</i>
Turnover	2	288,156	242,009
Cost of sales		198,671	157,766
Gross Profit		89,485	84,243
Administrative expenses		(468)	335,936
Operating Profit/(Loss)	3	89,953	(251,693)
Attributable to			
Operating profit/(loss) before exceptional items		89,953	(94,241)
Exceptional items	3	—	(157,452)
		89,953	(251,693)
Interest receivable		—	17
Interest payable and similar charges	5	(9)	—
Profit/(Loss) on Ordinary Activities Before Taxation		89,944	(251,676)
Tax on profit/(loss) on ordinary activities	6	—	—
Profit/(Loss) for the Financial Period		89,944	(251,676)

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the period as set out above

The notes on pages 8 to 12 form part of these financial statements

Ability Software International Limited

Balance Sheet

14th February 2011

	Note	14 Feb 11		31 Dec 09	
		£	£	£	£
Current Assets					
Stocks	7	-		7,062	
Debtors	8	63,887		94,043	
Cash at bank		1		4,233	
		<u>63,888</u>		<u>105,338</u>	
Creditors: Amounts Falling due Within One Year	9	<u>63,888</u>		<u>493,579</u>	
Net Current Liabilities			-		(388,241)
Total Assets Less Current Liabilities			-		(388,241)
Capital and Reserves					
Called-up equity share capital	11		718,297		420,000
Profit and loss account	12		(718,297)		(808,241)
Deficit	13		-		(388,241)

These financial statements were approved and signed by the director and authorised for issue on 23rd February 2012



C England
Director

Company Registration Number 05121765

The notes on pages 8 to 12 form part of these financial statements

Ability Software International Limited

Notes to the Financial Statements

Period from 1st January 2010 to 14th February 2011

1 Accounting Policies

Basis of Accounting

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

Cash Flow Statement

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

Turnover

The turnover shown in the profit and loss account represents sales of goods during the period, exclusive of Value Added Tax

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit

2. Turnover

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

An analysis of turnover is given below

	Period from 1 Jan 10 to 14 Feb 11 £	Period from 1 Sep 08 to 31 Dec 09 £
United Kingdom	<u>288,156</u>	<u>242,009</u>

Ability Software International Limited

Notes to the Financial Statements

Period from 1st January 2010 to 14th February 2011

3 Operating Profit/(Loss)

Operating profit/(loss) is stated after charging/(crediting)

	Period from 1 Jan 10 to 14 Feb 11 £	<i>Period from 1 Sep 08 to 31 Dec 09 £</i>
Amortisation of intangible assets	-	41,050
Auditor's remuneration		
- as auditor	-	3,000
Net profit on foreign currency translation	(331)	(2,011)
Exceptional impairment of intangible assets	<u>-</u>	<u>157,452</u>

4. Particulars of Employees

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

	Period from 1 Jan 10 to 14 Feb 11 No	<i>Period from 1 Sep 08 to 31 Dec 09 No</i>
Directors	<u>2</u>	<u>1</u>

No salaries or wages have been paid to employees, including the director, during the period

5 Interest Payable and Similar Charges

	Period from 1 Jan 10 to 14 Feb 11 £	<i>Period from 1 Sep 08 to 31 Dec 09 £</i>
Interest payable on bank borrowing	<u>9</u>	<u>-</u>

6 Taxation on Ordinary Activities

(a) Analysis of charge in the period

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

At the period end there is an unprovided deferred tax asset of £33,720 (2009, £52,608) in relation to future unused trading losses that may be set against future trading profits

Ability Software International Limited

Notes to the Financial Statements

Period from 1st January 2010 to 14th February 2011

6 Taxation on Ordinary Activities (continued)

(b) Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the period is lower than the standard rate of corporation tax in the UK of 21% (2009 - 21%)

	Period from 1 Jan 10 to 14 Feb 11 £	Period from 1 Sep 08 to 31 Dec 09 £
Profit/(loss) on ordinary activities before taxation	<u>89,944</u>	<u>(251,676)</u>
Profit/(loss) on ordinary activities by rate of tax	18,888	(52,852)
Expenses not deductible for tax purposes	-	43
Depreciation for period in excess of capital allowances	-	(233)
Utilisation of tax losses	(18,888)	-
Unrelieved tax losses	-	<u>53,042</u>
Total current tax (note 6(a))	<u>-</u>	<u>-</u>

(c) Factors that may affect future tax charges

At the 14th February 2011 the company had Corporation Tax losses available for relief against future trading profits of £160,572 (2009, £250,516)

7. Stocks

	14 Feb 11 £	31 Dec 09 £
Stock	<u>-</u>	<u>7,062</u>

8 Debtors

	14 Feb 11 £	31 Dec 09 £
Trade debtors	-	64,814
Amounts owed by group undertakings	35,806	-
Other debtors	-	13,923
Prepayments and accrued income	28,081	<u>15,306</u>
	<u>63,887</u>	<u>94,043</u>

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

Ability Software International Limited

Notes to the Financial Statements

Period from 1st January 2010 to 14th February 2011

9 Creditors: Amounts Falling due Within One Year

	14 Feb 11	31 Dec 09
	£	£
Trade creditors	—	84,482
Amounts owed to group undertakings	23,773	385,803
Accruals and deferred income	40,115	23,294
	<u>63,888</u>	<u>493,579</u>

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

10 Related Party Transactions

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

11. Share Capital

Allotted, called up and fully paid

	14 Feb 11	£	31 Dec 09	£
	No		No	
718,297 Ordinary shares of £1 each	<u>718,297</u>	<u>718,297</u>	<u>420,000</u>	<u>420,000</u>

On 14th February 2011 the company issued a further 298,297 Ordinary Shares of £1 each at par in capitalisation of debt owed by the company to Third Quad Capital plc

12. Profit and Loss Account

	Period from	Period from
	1 Jan 10 to	1 Sep 08 to
	14 Feb 11	31 Dec 09
	£	£
Balance brought forward	(808,241)	(556,565)
Profit/(loss) for the financial period	89,944	(251,676)
Balance carried forward	<u>(718,297)</u>	<u>(808,241)</u>

Ability Software International Limited

Notes to the Financial Statements

Period from 1st January 2010 to 14th February 2011

13. Reconciliation of Movements in Shareholder's Funds

	14 Feb 11	31 Dec 09
	£	£
Profit/(Loss) for the financial period	89,944	(251,676)
New ordinary share capital subscribed	298,297	-
Net addition/(reduction) to shareholder's deficit	388,241	(251,676)
Opening shareholder's deficit	(388,241)	(136,565)
Closing shareholder's deficit	-	(388,241)

14 Ultimate Parent Company

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

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

During the period to 14th February 2011 the company's immediate and ultimate holding company was Third Quad Capital plc.

The consolidated accounts of Third Quad Capital plc are available from its registered office at 16 Union Road, Cambridge CB2 1HE.