Registration number 05129551

Ability Matters Limited

Directors' Report and Financial Statements

for the Year Ended 31 October 2012

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COMPANIES HOUSE

Critchleys LLP
Registered Auditors
Greyfriars Court
Paradise Square
Oxford
OX1 1BE

Ability Matters Limited

Contents

Ability Matters Limited

Company Information

Directors	Mr M A O'Byrne Mrs E Rafns-O'Byrne
Registered office	Windrush Court Blacklands Way Abingdon Oxfordshire OX14 1SY
Auditors	Critchleys LLP Registered Auditors Greyfriars Court Paradise Square Oxford OX1 1BE

Ability Matters Limited

Directors' Report for the Year Ended 31 October 2012

The directors present their report and the financial statements for the year ended 31 October 2012

Commencment to trade

The Company commenced to trade on 1 November 2011 following the transfer of elements of the trading activities of two fellow subsidiary companies, Opcare Ltd and Ortho Europe Ltd as set out in Note 18 to the accounts

Principal activity

The principal activity of the company is the provision of clinical and retail services to improve a persons mobility, accessability and independence

Directors of the company

The directors who held office during the year were as follows

Mr M A O'Byrne

Mrs E Rafns-O'Byrne (appointed 1 April 2012)

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of

Reappointment of auditors

The auditors Critchleys LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006

Approved by the Board on 25 July 2013 and signed on its behalf by

Mr M A O'Byrne
Director

Ability Matters Limited

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period In preparing these financial statements, the directors are required to

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Independent Auditor's Report to the Members of
Ability Matters Limited

We have audited the financial statements of Ability Matters Limited for the year ended 31 October 2012, set out on pages 6 to 14 The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities)

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 Statement of Directors' Responsibilities (set out on page 3), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors

Scope of the audit of the financial statements

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 Directors' Report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on the 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 October 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Independent Auditor's Report to the Members of
Ability Matters Limited

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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 and the Directors' Report in accordance with the small companies regime

Robert Kirtland (Senior Statutory Auditor)
For and on behalf of Critchleys LLP, Statutory Auditor

Greyfriars Court
Paradise Square
Oxford
OX1 1BE

Date 25/7/13

Ability Matters Limited

Profit and Loss Account for the Year Ended 31 October 2012

	Note	2012 £ 000	2011 £ 000
Turnover	2	1,244	-
Cost of sales		(812)	-
Gross profit		432	-
Administrative expenses		(739)	-
Operating loss	3	(307)	-
Loss on ordinary activities before taxation		(307)	-
Tax on (loss)/profit on ordinary activities	6	45	-
Loss for the financial year	13	(262)	-

The notes on pages 8 to 14 form an integral part of these financial statements

Ability Matters Limited - Registration number. 05129551

Balance Sheet at 31 October 2012

	Note	2012 £ 000	2011 £ 000
Fixed assets			
Intangible fixed assets	7	77	-
Tangible fixed assets	8	76	-
		153	-
Current assets			
Stocks		126	-
Debtors	9	201	-
Cash at bank and in hand		27	-
		354	-
Creditors Amounts falling due within one year	10	(747)	-
Net current liabilities		(393)	-
Total assets less current liabilities		(240)	-
Provisions for liabilities	11	(22)	-
Net liabilities		(262)	-
Capital and reserves			
Profit and loss account	13	(262)	-
Shareholders' deficit	14	(262)	-

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective 2008)

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

Approved by the Board on 25 July 2013 and signed on its behalf by

Mr M A O'Byrne
Director

Ability Matters Limited

Notes to the Financial Statements for the Year Ended 31 October 2012

1 Accounting policies

Basis of preparation
The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards

Going concern
The financial statements have been prepared on a going concern basis The company recorded a loss of £262,000 in its first year of trading and had net liabilities of £262,000 at the balance sheet date

The company is financed through loans from its parent company and cash generated from its operations The parent company has confirmed that it will continue to provide such support as the company requires for a period of at least twelve months from the date of the approval of these financial statements

The directors have prepared cash flow forecasts and considered the cash flow requirement for the company and the group for a period including twelve months from the date of the approval of these financial statements Based on these forecasts the directors are confident that the company has sufficient cash resources to enable it to pay its debts as they fall due

As a result of the above, the directors consider it appropriate to prepare the financial statements on a going concern basis

The trade and net assets were transferred as a going concern at net book value to the parent company on 1 July 2013

Turnover
Turnover represents amounts chargeable in respect of the sale of goods and services to external customers, excluding value added tax, and is attributable to the Company's principal activity

Goodwill
Goodwill represents the excess of the cost of an acquisition over the fair value of the trade and assets acquired Goodwill on the acquisition of subsidiaries and businesses is included in intangible assets Positive goodwill is amortised through the profit and loss account over the directors, estimate of its useful economic life, up to a maximum of 20 years Impairment tests on the carrying value are undertaken at the end of the first full year following acquisition and are carried out in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable

Depreciation
All tangible fixed assets are shown at cost less accumulated depreciation and impairment Cost includes expenditure that is directly related to the acquisition of the assets

Depreciation is provided to write off the cost, less estimated residual value, of all tangible fixed assets, evenly over their expected useful lives as described below

Plant and machinery	8-25% straight line
Motor vehicles	25% straight line
Computer equipment	8-25% straight line

The assets' residual values and useful lives are reviewed and adjusted if appropriate at each balance sheet date An asset's carrying value is written down immediately to its recoverable amount if the carrying value is greater than its estimated recoverable amount

Stock

Stocks are valued at the lower of cost and net realisable value Cost includes all direct expenditure and an appropriate proportion of attributable overheads The cost of work in progress and finished goods is calculated on the basis of direct costs plus an appropriate proportion of attributable overheads based on a normal level of activity Provision is made for any unforeseeable losses where appropriate

Deferred tax

The charge for taxation is based on the result for the year taking into account taxation deferred

Current tax is measured at amounts expecetd to be paid using tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred tax balances are recognised in repsect of all timing differences that have originated but not reversed by the balance sheet date Deferred tax assets are recognised when it is more likely than not that they will be recovered Deferred tax balances are not discounted

Foreign currency

Transactions in foreign currencies are recorded using the exchange rate ruling at the date of the transaction Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date and the gains and lossed on translation are included in the profit and loss account

Hire purchase and leasing

Those leases not accounted for as finance leases are deemed operating leases Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease

Operating lease commitments are only disclosed where the company is named in the lease agreement

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases), the assets are treated as if they had been purchased outright The amount capitalised is the present value of the minimum lease payments payable during the lease term The corresponding leasing commitments are shown as amount payable to the lessor Depreciation on the relevant assets is charged to the profit and loss account Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding The capital part reduces the amounts payable to the lessor

Where the unavoidable costs of a lease exceed the economic benefit expected to be received from it, a provision is made for the present value of the obligations under the lease

Pensions

The company operates a defined contribution pension scheme The assets of the scheme are held separately from those of the Company in an independently administered fund The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period

2 Turnover

An analysis of turnover by geographical location is given below

	2012 £ 000	2011 £ 000
Sales - UK	1,244	-

3 Operating (loss)/profit

Operating (loss)/profit is stated after charging

	2012 £ 000	2011 £ 000
Auditor's remuneration - The audit of the company's annual accounts	3	-
Foreign currency losses/(gains)	-	-
Depreciation of tangible fixed assets	42	-
Amortisation	9	-
Operating leases - plant and machinery	19	-
Operating lease - other assets	105	-

4 Particulars of employees

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows

	2012 No	2011 No
Administration and support	13	-

The aggregate payroll costs were as follows

	2012 £ 000	2011 £ 000
Wages and salaries	345	-
Social security costs	35	-
Staff pensions	4	-
	384	-

5 Directors' remuneration

The directors' remuneration for the year was as follows

	2012 £ 000	2011 £ 000
Remuneration	26	-

6 Taxation

Tax on (loss)/profit on ordinary activities

	2012 £ 000	2011 £ 000
Current tax		
Group relief receivable	(67)	-
UK Corporation tax	(67)	-
Deferred tax		
Origination and reversal of timing differences	22	-
Total tax on (loss)/profit on ordinary activities	(45)	-

7 Intangible fixed assets

	Goodwill £ 000	Total £ 000
Cost		
Transfer from Group undertakings	86	86
At 31 October 2012	86	86
Amortisation		
Charge for the year	9	9
At 31 October 2012	9	9
Net book value		
At 31 October 2012	77	77

8 Tangible fixed assets

	Leasehold improvements £ 000	Plant and machinery £ 000	Total £ 000
Cost or valuation			
Additions	67	51	118
Depreciation			
Charge for the year	27	15	42
Net book value			
At 31 October 2012	40	36	76

9 Debtors

	2012 £ 000	2011 £ 000
Trade debtors	110	-
Amounts owed by group undertakings	4	-
Amounts owed by related undertakings	10	-
Other debtors	46	-
Prepayments and accrued income	31	-
	201	-

10 Creditors Amounts falling due within one year

	2012 £ 000	2011 £ 000
Trade creditors	99	-
Amounts owed to group undertakings	575	-
Accruals and deferred income	73	-
	747	-

11 Provisions

	Deferred tax £ 000	Total £ 000
At 1 November 2011	-	-
Charged to the profit and loss account	22	22
At 31 October 2012	22	22

12 Share capital

	2012	2011
Allotted, called up and fully paid		
Ordinary shares of £1 each	1	1

13 Reserves

	Profit and loss account £ 000	Total £ 000
Loss for the year	(262)	(262)
At 31 October 2012	(262)	(262)

14 Reconciliation of movement in shareholders' funds

	2012 £ 000	2011 £ 000
Loss attributable to the members of the company	(262)	-
Net reduction to shareholders' funds	(262)	-
Shareholders' deficit at 31 October	(262)	-

15 Contingent liabilities

In conjunction with the other members of the Ability Matters Group Limited group of companies, the company has given a compsooite guarantee to the company's bankers There is a right of set off incorporated in the composite guarantee

16 Related party transactions

The company has taken advantage of the exemption allowed by FRS8, Related Party Disclosures', not to disclose any transactions with members of the group headed by Ability Matters Group Limited, on the grounds that 100% of the voting rights in the company are controlled within that Group and the company is included in the consolidated financial statements

The company regards the following entities as related due to common ownership

Assistive Technology Group Limited (Eire)
Trustees of Opcare Limited Pension Scheme

During the year, the company made sales to these related parties of £11,700 (2011 £Nil) At 31 October 2012, £9,800 (2011 £Nil) was owed to the Company in respect of sales During the year, the company made purchases from related entities totalling £39,600 (2011 £Nil) No amounts were owed at 31 October 2012 in respect of the purchases (2011 Nil) At the balance sheet date the amount due to was £nil (2011 - £nil)

17 Control

The company is controlled by Ability Matters Group Limited, a company incorporated in Great Britain The company's registered office is Windrush Court, Blacklands Way, Abingdon, Oxfordshire, OX14 1SY

Copies of the consolidated financial statements of Ability Matters group Limited are available from Companies House

The ultimate controlling party is M A O'Byrne

18 Transfer of trade

The trade and net assets of the private clinic and retails arms of two sister subsidiary companies were hived across to the company on 1 November 2011 The value of the net assets transferred was as detailed below

	£'000
Fixed assets	
Intangible fixed assets	86
Tangible fixed assets	71
Current assets	
Stocks	77
Debtors	193
Cash	23
Total assets	450
Creditors	
Due within one year	(349)
Net assets	101

The hive across was achieved via a loan from the transferring company equal to the value of the net assets at the date of transfer