

**Company Number: 05388228**

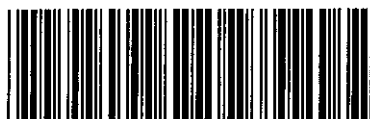
**ALTEX-ATS LIMITED (FORMERLY MSOMS LIMITED)**

**FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED**

**28<sup>TH</sup> FEBRUARY 2006**

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# **ALTEX-ATS LIMITED (FORMERLY MSOMS LIMITED)**

## **Directors' Report for the period ended 28 February 2006**

The directors present their first report and the audited financial statements of the company for the period from 10 March 2005 to 28 February 2006.

### **PRINCIPAL ACTIVITY**

The company was incorporated on the 10<sup>th</sup> March 2005. The principal activity of the company is software development.

The company is incorporated and domiciled in the United Kingdom ("UK").

### **BUSINESS REVIEW AND FUTURE DEVELOPMENTS**

The results for the period are set out on page 4, the directors consider that the period end financial position was in line with expectations during the development phase of the Altex-ATS software. The directors anticipate the successful introduction of the Altex-ATS software in the financial year ended 31 March 2008.

### **POST BALANCE SHEET EVENTS**

On the 10<sup>th</sup> July 2006 the company changed its name to Altex – ATS Ltd. On the 24<sup>th</sup> September 2006 the company became authorised by the FSA as an Alternative Trading System (ATS).

### **RESULTS AND DIVIDENDS**

The results of the company are set out in the profit and loss account on page 4. The directors do not propose payment of a dividend. The loss for the period of £451,000 has been transferred to reserves.

### **DIRECTORS AND DIRECTORS' INTERESTS**

The directors of the company, who held office during the period and appointed after the period end, were:

Simon George Brown	Appointed 10 <sup>th</sup> March 2005
Henry Prentis	Appointed 10 <sup>th</sup> March 2005 / Resigned 27 <sup>th</sup> August 2005
Kevin Noles	Appointed 27 <sup>th</sup> August 2005
Valerie Chitty	Appointed 27 <sup>th</sup> August 2005
Jonathan Lee Henry	Appointed 29 <sup>th</sup> November 2006
Jamie Macleod	Appointed 28 <sup>th</sup> March 2006

### **DIRECTORS' INTERESTS**

The interests of the directors and their families in the share capital of the company are shown in note 5 to the financial statements.

### **DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

Company law requires the directors to prepare financial statements for each accounting period which 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.

The directors confirm that suitable accounting policies have been used and that these policies have been applied on a consistent basis. The directors also confirm that applicable accounting standards have been followed and that reasonable and prudent judgements and estimates have been made in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

The directors are satisfied that the company has adequate resources to continue to operate for the foreseeable future and confirm that the company is a going concern.

# **ALTEX-ATS LIMITED (FORMERLY MSOMS LIMITED)**

## **Directors' Report for the period ended 28 February 2006**

### **CHARITABLE DONATIONS**

During the period the company made no charitable donations.

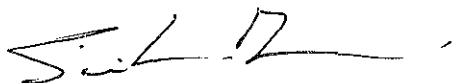
### **LAYING OF REPORTS AND ACCOUNTS**

The company has passed an elective resolution dispensing with the requirement to lay reports and accounts before the members of the company in general meeting. However, under the provisions of section 253(2) of the Companies Act 1985 (as amended), any member of the company has the right to require this report and accounts to be laid before the members of the company in general meeting. Any member wishing to exercise this right must deposit notice at the company's registered office within 28 days of the date of this report.

### **AUDITORS**

The company has appointed PricewaterhouseCoopers LLP as the company's auditors. The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution that they be reappointed will be proposed at the annual general meeting

On behalf of the Board



Director

8<sup>th</sup> February 2007

**ALTEX-ATS LIMITED (FORMERLY MSOMS LIMITED)**  
**Independent Auditors' Report to the members of ALTEX-ATS LIMITED (FORMERLY MSOMS Limited)**

We have audited the financial statements of Altex-ATS Limited (formerly MSOMS Limited), which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

**Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

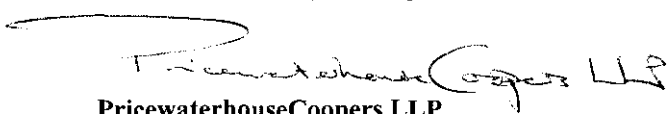
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 28 February 2006 and of its loss and cash flows for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers LLP**  
**Chartered Accountants and Registered Auditors**  
**London**  
**8th February 2007**

**ALTEX-ATS LIMITED (FORMERLY MSOMS LIMITED)**  
**Profit and Loss Account for the period from 10 March 2005 to 28 February 2006**

	<u>Note</u>	<u>10/03/05 to 28/02/2006</u>
		£'000
<b>Turnover</b>	1(b)	0
Administrative expenses		(644)
<b>Operating loss</b>		(644)
Interest payable and similar charges	6	(1)
<b>Loss on ordinary activities before taxation</b>		(645)
Tax credit on ordinary activities	7	194
<b>Loss on ordinary activities after taxation</b>		(451)
Dividends		-
<b>Retained loss for the financial period</b>	12	(451)

Turnover and operating loss were derived wholly from continuing operations.

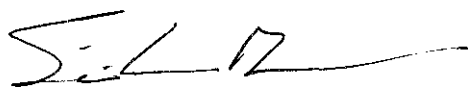
The company had no recognised gains and losses for the period other than those included in the profit and loss account and therefore no separate statement of total recognised gains and losses is presented.

There is no difference between the loss on ordinary activities before taxation and the retained loss for the period stated above and their historical cost equivalents.

**ALTEX-ATS LIMITED (FORMERLY MSOMS LIMITED)**  
**Balance Sheet as at 28 February 2006**

	<u>Note</u>	<u>As at</u> <u>28/02/2006</u> £'000
<b>Fixed assets</b>		
Tangible assets	8	46
		<u>46</u>
<b>Current assets</b>		
Debtors	9	221
Cash at bank and in hand		4
		<u>225</u>
<b>Creditors: amounts falling due within one year</b>	10	<u>(721)</u>
<b>Net current liabilities</b>		<u>(496)</u>
<b>Total assets less current liabilities</b>		<u>(450)</u>
<b>Net liabilities</b>		<u><u>(450)</u></u>
<b>Capital and reserves</b>		
Called up share capital	11	1
Profit and loss account	12	<u>(451)</u>
<b>Equity shareholders' funds</b>	12	<u><u>(450)</u></u>

The financial statements on pages 4 to 11 were approved by the board of directors on 8th February 2007 and were signed on its behalf by:



) Director

8<sup>th</sup> February 2007

**ALTEX-ATS LIMITED (FORMERLY MSOMS LIMITED)**  
**Notes to the financial statements for the period ended 28 February 2006**

**1. PRINCIPAL ACCOUNTING POLICIES**

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, the accounting policies set out below and in accordance with Accounting Standards applicable in the United Kingdom.

(b) Turnover

The company has no turnover during the period.

(c) Tangible fixed assets

**Fixed assets**

All fixed assets are initially recorded at cost.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment - straight line basis over 3 years

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

(d) Debt provisioning

The company's bad debt policy is to make provisions for bad and doubtful debts promptly where necessary and on a prudent and consistent basis.

Provisions are made for specific debts when it is considered that the credit-worthiness of the debtor has deteriorated such that the recovery of all or part of a debt is in serious doubt. A general provision is made in respect of potential losses which are judged to be present in debtor balances at the balance sheet date, but which will not be identified as such until some time in the future. The level of the provision is based upon the previous experience of such losses in the company and is reviewed on a periodic basis. The accuracy of the provision is periodically assessed against any actual losses that have arisen.

(e) Impairment of fixed assets and goodwill

Fixed assets and goodwill are subject to an impairment review if there are events or changes in circumstances that indicate that the carrying value of the fixed asset or goodwill may not be fully recoverable. The impairment review comprises a comparison of the net book value of the fixed asset or goodwill with its recoverable amount (the higher of net realisable value and value in use). Net realisable value represents the amount at which the asset could be disposed. Value in use is calculated by discounting the expected future cash flows obtainable as a result of the asset's continued use, including those resulting from its ultimate disposal, at a market based discount rate on a pre-tax basis. The carrying value of fixed assets and goodwill are written down by the amount of any impairment and this loss is recognised in the profit and loss account in the year in which it occurs.

# ALTEX-ATS LIMITED (FORMERLY MSOMS LIMITED)

## Notes to the financial statements for the period ended 28 February 2006

(f) Taxation

The current tax payable is based on taxable profit for the period using tax rates enacted at the balance sheet date.

Taxable profit differs from net profit as reported in the Income Statement because it excludes items of income or expense that are taxable or deductible in other years or are never taxable or deductible.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences except where the liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which they can be utilised except where the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply in the periods when the asset is realised or the liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

(g) Foreign currencies

Transactions denominated in foreign currencies are translated into sterling at the rates of exchange ruling when the transaction is recorded.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rates of exchange ruling at the balance sheet date.

All exchange differences are dealt with in the profit and loss account.

## 2. SEGMENTAL INFORMATION

In the opinion of the directors the company has a single class of business which is conducted principally in the United Kingdom.

## 3. CASH FLOW STATEMENT

The Company is not required to present a cash flow statement as the exemption under Financial Reporting Standard 1 "Cash Flow Statements" has been taken from the requirement to present a cash flow statement on the grounds that the Company is a small company as defined by the Companies Act.



**ALTEX-ATS LIMITED (FORMERLY MSOMS LIMITED)**  
**Notes to the financial statements for the period ended 28 February 2006**

**4. DIRECTORS' REMUNERATION**

Remuneration payable to the directors in respect of services to the company was as follows:

	<u>10/03/05 to 28/02/06</u>	
	Total £'000	Highest paid director £'000
Aggregate emoluments	93	56
	<u>93</u>	<u>56</u>

**5. DIRECTORS' INTERESTS**

Directors' interests in shares were as follows:

	<u>As at 28/02/2006</u>
<b>Altex -ATS ltd</b>	
<b>Ordinary shares of £1 each</b>	
S Brown	940
K Noles	50
H Prentis	<u>10</u>

**6. INTEREST PAYABLE AND SIMILAR CHARGES**

	<u>10/03/05 to 28/02/2006 £'000</u>
Bank interest payable	1
	<u>1</u>

**ALTEX-ATS LIMITED (FORMERLY MSOMS LIMITED)**  
**Notes to the financial statements for the period ended 28 February 2006**

**7. TAXATION ON PROFIT ON ORDINARY ACTIVITIES**

	<u>10/03/05 to</u> <u>28/02/2006</u> £'000
a) Analysis of charge for the period	
Current taxation:	
UK corporation tax	-
	-
Deferred taxation:	
Deferred taxation credit	194
	<hr/>
Taxation credit	194
	<hr/> <hr/>
b) Factors affecting the taxation charge for the period	
Loss on ordinary activities before taxation	<u>(645)</u>
	<hr/> <hr/>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 30%	(194)
Effects of:	
Losses carried forward	194
Capital allowances in excess of depreciation	-
Timing differences not tax effected	-
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	<hr/>
Current tax charge for the period	<hr/> <hr/>

**ALTEX-ATS LIMITED (FORMERLY MSOMS LIMITED)**  
**Notes to the financial statements for the period ended 28 February 2006**

**8. TANGIBLE FIXED ASSETS**

	Computer equipment £'000	Total £'000
<b>Cost</b>		
Acquisitions	69	69
As at 28th February 2006	<u>69</u>	<u>69</u>
<b>Depreciation</b>		
Charge for the period	23	23
As at 28th February 2006	<u>23</u>	<u>23</u>
<b>Net book value</b>		
As at 28th February 2006	<u>46</u>	<u>46</u>

**9. DEBTORS**

	<u>As at</u> <u>28/02/2006</u> £'000
Trade debtors	-
Deferred Taxation	194
Other debtors	27
	<u>221</u>

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>As at</u> <u>28/02/2006</u> £'000
Other tax and social security	91
Other creditors	556
Accruals and deferred income	74
	<u>721</u>

**ALTEX-ATS LIMITED (FORMERLY MSOMS LIMITED)**  
**Notes to the financial statements for the period ended 28 February 2006**

**11 CALLED UP SHARE CAPITAL**

	<u>As at</u> <u>28/02/2006</u>
Authorised:	
1,000 Ordinary shares of £1 each	1,000
	<u>1,000</u>
Allotted and fully paid:	
1,000 Ordinary shares of £1 each	1,000
	<u>1,000</u>

**12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<u>Share</u> <u>capital</u> (note 11) £'000	<u>Profit</u> <u>and loss</u> <u>account</u> £'000	<u>Total</u> £'000
Issued share capital	1	-	1
Retained profit for the period	-	(451)	(451)
As at 28 February 2006	<u>1</u>	<u>(451)</u>	<u>(450)</u>

**13. RELATED PARTY TRANSACTIONS**

During the period ended 28 February 2006, the company entered into transactions for consultancy services with two of the directors. The company paid £27,375 to Mr K Noles, a director and shareholder, for consultancy services in relation to the software development process. The company paid £6,000 to Mr H Prentis, a director and shareholder for consultancy services in relation to accounting matters. No amounts remain due to or from any related parties at the period end. No amounts have been written off in respect of debts due from or to any related party. The company did not enter in to any other related party transactions.