

**Registered number: 05937659**

**Abstract Games Limited**

**Annual Report  
and Financial Statements**

**For the year ended 31 December 2009**



# **ABSTRACT GAMES LIMITED**

## **Company Information**

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<b>Directors</b>	Mr A R Yendle Mr R Hatchett
<b>Company number</b>	05937659
<b>Registered office</b>	76 Church Street Lancaster Lancashire LA1 1ET

# **ABSTRACT GAMES LIMITED**

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# **ABSTRACT GAMES LIMITED**

## **Directors' report For the year ended 31 December 2009**

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The directors present their report and the financial statements for the year ended 31 December 2009

### **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 then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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.

### **Principal activities**

The principal activity of the company during the year was that of promotional games, premium rate SMS related services.

### **Directors**

The directors who served during the year were

Mr A R Yendle  
Mr R Hatchett  
Mr S Breeds (resigned 24 February 2010)

# ABSTRACT GAMES LIMITED

## Directors' report For the year ended 31 December 2009

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### Provision of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board on 29 July 2010 and signed on its behalf



**Mr R Hatchett**  
Director

# **ABSTRACT GAMES LIMITED**

## **Independent auditor's report to the members of Abstract Games Limited**

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We have audited the financial statements of Abstract Games Limited for the year ended 31 December 2009, set out on pages 5 to 14. 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 shareholders, 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 shareholders 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 shareholders 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, 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 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.

### **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 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# ABSTRACT GAMES LIMITED

## Independent auditor's report to the members of Abstract Games 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 directors' report in accordance with the small companies regime



Phillip Whiteway (senior statutory auditor)

for and on behalf of

**CLB Coopers**

Statutory Auditors and Chartered Accountants

Fleet House  
New Road  
Lancaster  
LA1 1EZ

Date 29 July 2010

## ABSTRACT GAMES LIMITED

### Profit and loss account For the year ended 31 December 2009

	Note	2009 £	2008 £
Turnover	1	1,036,057	7,336,675
Cost of sales		(611,464)	(5,532,966)
<b>Gross profit</b>		<b>424,593</b>	<b>1,803,709</b>
Administrative expenses		(348,616)	(326,664)
<b>Operating profit</b>	3	<b>75,977</b>	<b>1,477,045</b>
Interest payable and similar charges	7	-	(37)
<b>Profit on ordinary activities before taxation</b>		<b>75,977</b>	<b>1,477,008</b>
Tax on profit on ordinary activities	8	(859)	(449,233)
<b>Profit for the financial year</b>	16	<b>75,118</b>	<b>1,027,775</b>

All amounts relate to continuing operations

There were no recognised gains and losses for 2009 or 2008 other than those included in the profit and loss account

The notes on pages 7 to 14 form part of these financial statements



**ABSTRACT GAMES LIMITED**

Registered number: 05937659

**Balance sheet**

As at 31 December 2009

	Note	£	2009 £	£	2008 £
<b>Fixed assets</b>					
Intangible assets	9		-		57,700
Tangible assets	10		2,178		4,740
			<u>2,178</u>		<u>62,440</u>
<b>Current assets</b>					
Stocks	11	-		57,413	
Debtors	12	8,910		2,126,893	
Cash at bank		8,532		389,368	
		<u>17,442</u>		<u>2,573,674</u>	
<b>Creditors: amounts falling due within one year</b>	13	(17,108)		(1,023,950)	
<b>Net current assets</b>			<u>334</u>		<u>1,549,724</u>
<b>Total assets less current liabilities</b>			<u>2,512</u>		<u>1,612,164</u>
<b>Creditors: amounts falling due after more than one year</b>	14		-		(173,942)
<b>Net assets</b>			<u><u>2,512</u></u>		<u><u>1,438,222</u></u>
<b>Capital and reserves</b>					
Called up share capital	15		100		100
Profit and loss account	16		2,412		1,438,122
<b>Shareholders' funds</b>	17		<u><u>2,512</u></u>		<u><u>1,438,222</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



**Mr R Hatchett**  
Director

The notes on pages 7 to 14 form part of these financial statements

# **ABSTRACT GAMES LIMITED**

## **Notes to the financial statements For the year ended 31 December 2009**

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### **1. Accounting policies**

#### **1.1 Basis of preparation of financial statements**

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

#### **1.2 Turnover**

Turnover is the aggregate amount of revenue derived from the provision of mobile telephony services supplied to customers in the ordinary course of business. Revenue is recognised upon delivery of media content.

Where the company provides services as principal, turnover represents the gross revenue in respect to those services. To the extent that the company provides services as a service provider to third parties, in respect of those services turnover represents the company's share of revenue.

#### **1.3 Intangible fixed assets and amortisation**

Purchased goodwill is stated at cost less amortisation. It is amortised to the profit and loss account over its estimated economic life.

Amortisation is provided at the following rates:

Goodwill	-	20%	Straight line
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#### **1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office Equipment	-	33.3%	straight line
Fixtures and fittings	-	33.3%	straight line

#### **1.5 Operating leases**

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

#### **1.6 Stocks**

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

# ABSTRACT GAMES LIMITED

## Notes to the financial statements For the year ended 31 December 2009

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### 1. Accounting policies (continued)

#### 1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between transactions in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are discounted

#### 1.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

#### 1.9 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual in the interest of the assets of the company after deducting all of its liabilities

### 2. Turnover

An analysis of turnover by class of business is as follows

	2009 £	2008 £
Premium rate SMS services	<u>1,036,057</u>	<u>7,336,675</u>

All turnover arose within the United Kingdom

### 3. Operating profit

The operating profit is stated after charging

	2009 £	2008 £
Amortisation of intangible fixed assets	57,700	20,981
Depreciation of tangible fixed assets - owned by the company	<u>2,562</u>	<u>828</u>

## ABSTRACT GAMES LIMITED

### Notes to the financial statements For the year ended 31 December 2009

#### 4. Auditors' remuneration

	2009 £	2008 £
Fees payable to the company's auditor for the audit of the company's annual accounts	<u>1,500</u>	<u>4,000</u>

#### 5. Staff costs

Staff costs, including directors' remuneration, were as follows

	2009 £	2008 £
Wages and salaries	152,485	139,105
Social security costs	16,949	15,692
Other pension costs	540	-
	<u>169,974</u>	<u>154,797</u>

The average monthly number of employees, including the directors, during the year was as follows

	2009 No.	2008 No.
Management staff	<u>3</u>	<u>3</u>

#### 6 Directors' remuneration

	2009 £	2008 £
Emoluments	<u>140,106</u>	<u>138,713</u>

During the year retirement benefits were accruing to one director (2008 Nil) in respect of defined benefit pension schemes

#### 7. Interest payable

	2009 £	2008 £
On bank loans and overdrafts	<u>-</u>	<u>37</u>

# ABSTRACT GAMES LIMITED

## Notes to the financial statements For the year ended 31 December 2009

### 8. Taxation

	2009 £	2008 £
UK corporation tax charge on profit for the year	<u>859</u>	<u>449,233</u>

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2008 higher than) the standard rate of corporation tax in the UK (21%) The differences are explained below

	2009 £	2008 £
Profit on ordinary activities before tax	<u>75,977</u>	<u>1,477,008</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2008 28.5%)	15,955	420,947
Effects of:		
Expenses not deductible for tax purposes	-	28,432
Depreciation for year in excess of capital allowances	329	(146)
Group relief	(15,425)	-
Current tax charge for the year (see note above)	<u>859</u>	<u>449,233</u>

### 9. Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 January 2009 and 31 December 2009	<u>104,907</u>
<b>Amortisation</b>	
At 1 January 2009	47,207
Charge for the year	57,700
At 31 December 2009	<u>104,907</u>
<b>Net book value</b>	
At 31 December 2009	-
At 31 December 2008	<u>57,700</u>

# ABSTRACT GAMES LIMITED

## Notes to the financial statements For the year ended 31 December 2009

### 10. Tangible fixed assets

	Office equipment £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 January 2009 and 31 December 2009	1,122	6,363	7,485
<b>Depreciation</b>			
At 1 January 2009	105	2,640	2,745
Charge for the year	358	2,204	2,562
At 31 December 2009	463	4,844	5,307
<b>Net book value</b>			
At 31 December 2009	659	1,519	2,178
At 31 December 2008	1,017	3,723	4,740

### 11. Stocks

	2009 £	2008 £
Finished goods and goods for resale	-	57,413

### 12. Debtors

	2009 £	2008 £
<b>Due after more than one year</b>		
Amounts owed by group undertakings	-	13,944
<b>Due within one year</b>		
Trade debtors	-	731,159
Amounts owed by group undertakings	-	1,320,795
Other debtors	8,910	-
Prepayments and accrued income	-	60,995
	8,910	2,126,893

# ABSTRACT GAMES LIMITED

## Notes to the financial statements For the year ended 31 December 2009

### 13. Creditors: Amounts falling due within one year

	2009 £	2008 £
Bank loans and overdrafts	9,451	-
Trade creditors	5,090	226,069
Amounts owed to group undertakings	-	4,042
Corporation tax	859	449,233
Other taxes and social security	-	192,567
Other creditors	-	656
Accruals and deferred income	1,708	151,383
	<u>17,108</u>	<u>1,023,950</u>

### 14. Creditors: Amounts falling due after more than one year

	2009 £	2008 £
Amounts owed to group undertakings	-	173,942
	<u>-</u>	<u>173,942</u>

### 15. Share capital

	2009 £	2008 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

### 16. Reserves

	Profit and loss account £
At 1 January 2009	1,438,122
Profit for the year	75,118
Dividends Equity capital	(1,510,828)
	<u>2,412</u>
At 31 December 2009	<u>2,412</u>

# ABSTRACT GAMES LIMITED

## Notes to the financial statements For the year ended 31 December 2009

### 17. Reconciliation of movement in shareholders' funds

	2009 £	2008 £
Opening shareholders' funds	1,438,222	410,347
Profit for the year	75,118	1,027,775
Dividends (Note 18)	(1,510,828)	-
Shares issued during the year	-	100
Closing shareholders' funds	<u>2,512</u>	<u>1,438,222</u>

### 18. Dividends

	2009 £	2008 £
Dividends paid on equity capital	<u>1,510,828</u>	<u>-</u>

### 19. Pension commitments

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company in independent trustee administered funds. The pension costs charge for the year amounted to £540 (2008 £Nil). All contributions were paid during the year.

### 20. Operating lease commitments

At 31 December 2009 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2009 £	2008 £	2009 £	2008 £
<b>Expiry date:</b>				
Between 2 and 5 years	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>3,000</u>

### 21. Related party transactions

The company has taken advantage of the exemption contained in Financial Reporting Standard 8 and has therefore not disclosed transactions or balances with entities which form part of the group.



## **ABSTRACT GAMES LIMITED**

**Notes to the financial statements**  
**For the year ended 31 December 2009**

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### **22. Ultimate parent undertaking and controlling party**

Up to 22 December 2009 the ultimate parent undertaking is Netplay TV plc, a company incorporated in England and Wales and listed on the Alternative Investment Market

From 22 December 2009 onwards there is no ultimate parent undertaking

There is no ultimate controlling party at any time