

COMPANY REGISTRATION NUMBER 06074453

CLARITY OSS LIMITED
FINANCIAL STATEMENTS
30 JUNE 2009



HW
Chartered Accountants & Statutory Auditor
174 Whiteladies Road
Clifton
Bristol
BS8 2XU

CLARITY OSS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2009

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CLARITY OSS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mr A J G Newbery
Clarity Group Holdings PTY Limited

Registered office

3rd Floor
Kings House
Bond Street South
Bristol
BS1 3AE

Auditor

HW
Chartered Accountants
& Statutory Auditor
174 Whiteladies Road
Clifton
Bristol
BS8 2XU

CLARITY OSS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2009

The directors present their report and the financial statements of the company for the year ended 30 June 2009

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was providing software for telecommunication service providers worldwide

Clarity provides a carrier grade next generation Operation Support Systems ('OSS') and Network Management Systems ('NMS') software solution for telecommunication service providers worldwide

The company provides support services to the group from its UK base and recharges its salary cost to the group of which it is a member. As such, the company does not have any financial key performance indicators. Rather, it is the level of service provided that the performance of the company is judged by

FUTURE DEVELOPMENTS

Clarity is uniquely differentiated as a highly flexible solution that can be deployed as a pre-integrated end-to-end solution, in a modular fashion, or integrated with third party solutions. Through its product differentiation and the ability to deliver flexible solutions, the company has built up a dominant market position in Asia, with a number of major Tier 1 operators around the region now using Clarity's products. Clarity's management continues to leverage these strengths to expand the business into new territories, including East Europe.

RESULTS AND DIVIDENDS

The loss for the year amounted to £17,871. The directors have not recommended a dividend.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The only significant financial risks the company faces are those arising from exchange rate fluctuations and providing services to customers on a credit basis. Both of these risks are managed through close supervision and review. No hedging activities are undertaken to mitigate the exchange rate risk.

DIRECTORS

The directors who served the company during the year were as follows

Mr A J G Newbery
Clarity Group Holdings PTY
Limited

Mr A J G Newbery was appointed as a director on 19 January 2009

CLARITY OSS LIMITED**THE DIRECTORS' REPORT** *(continued)***YEAR ENDED 30 JUNE 2009**

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 those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

CLARITY OSS LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 JUNE 2009

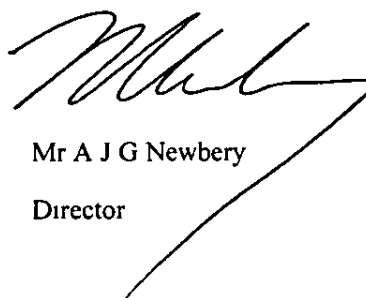
AUDITOR

During the year, HW, Chartered Accountants, replaced Nexia Smith and Williamson as auditors

HW are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office:
3rd Floor
Kings House
Bond Street South
Bristol
BS1 3AE

Signed on behalf of the directors



Mr A J G Newbery

Director

Approved by the directors on 30/4/10

CLARITY OSS LIMITED**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CLARITY OSS LIMITED****YEAR ENDED 30 JUNE 2009**

We have audited the financial statements of Clarity OSS Limited for the year ended 30 June 2009. 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 Sections 495 and 496 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 Directors' Responsibilities Statement 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 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.

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 30 June 2009 and of its loss 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.

EMPHASIS OF MATTER - GOING CONCERN

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company incurred a net loss of £17,871 during the year ended 30 June 2009 and, at that date, the company's current liabilities exceeded its total assets by £441,625. These conditions, along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

CLARITY OSS LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CLARITY
OSS LIMITED (continued)**

YEAR ENDED 30 JUNE 2009

OPINION ON OTHER MATTERS 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

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



174 Whiteladies Road
Clifton
Bristol
BS8 2XU

5 May 2010

MATTHEW BRACHER FCA (Senior
Statutory Auditor)
For and on behalf of
HW
Chartered Accountants
& Statutory Auditor

CLARITY OSS LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 JUNE 2009

		Year to 30 Jun 09 £	Period from 30 Jan 07 to 30 Jun 08 £
TURNOVER	Note 2	740,954	—
Administrative expenses		759,000	423,756
Other operating income		(175)	—
		<hr/>	<hr/>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(17,871)	(423,756)
Tax on loss on ordinary activities	5	—	—
		<hr/>	<hr/>
LOSS FOR THE FINANCIAL YEAR		(17,871)	(423,756)
Balance brought forward		(423,756)	—
Balance carried forward		<u>(441,627)</u>	<u>(423,756)</u>

All of the activities of the company are classed as continuing

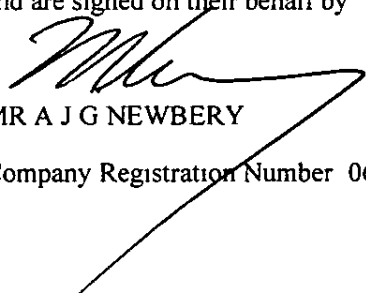
The company has no recognised gains or losses other than the results for the
year as set out above

The notes on pages 9 to 12 form part of these financial statements.

CLARITY OSS LIMITED**BALANCE SHEET****30 JUNE 2009**

	Note	2009 £	£	2008 £	£
CURRENT ASSETS					
Debtors	6	325		—	
CREDITORS: Amounts falling due within one year	7	<u>441,950</u>		<u>423,754</u>	
NET CURRENT LIABILITIES			<u>(441,625)</u>		<u>(423,754)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(441,625)</u>		<u>(423,754)</u>
CAPITAL AND RESERVES					
Called-up equity share capital	9		2		2
Profit and loss account			<u>(441,627)</u>		<u>(423,756)</u>
DEFICIT	10		<u>(441,625)</u>		<u>(423,754)</u>

These financial statements were approved by the directors and authorised for issue on 30/4/10, and are signed on their behalf by



MR A J G NEWBERY

Company Registration Number 06074453

CLARITY OSS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2009

1. ACCOUNTING POLICIES

Basis of accounting

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

The financial statements have been prepared on the going concern basis. At 30 June 2009, the company had net current liabilities of £441,625 and was in a net liability position of £441,625. The directors have considered the financial position of the company and its ability to meet its liabilities as they fall due. They have prepared forecasts and cash flow projections which indicate that whilst financial support is required in the short to medium term, the company is likely to generate profits and positive cash flows in the future. As a result, the ultimate parent company, Powerlan Limited, has pledged financial support to the company to ensure that all liabilities are met as they fall due and that the company has sufficient funding to enable it to continue to trade. On this basis, the directors are of the opinion that it is appropriate for the financial statements to be prepared on the going concern basis.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

Turnover

Turnover represents amounts invoiced in the year in respect of services provided in relation to the sale, customisation, installation, support and maintenance of Clarity group products, exclusive of Value Added Tax. The company operates under a service agreement with its parent company and all revenue is generated under that contract.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

CLARITY OSS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 JUNE 2009**

1. ACCOUNTING POLICIES *(continued)***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.

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 interest in the assets of the company after deducting all of its liabilities.

2. TURNOVER

The turnover and loss before tax are attributable to the one principal activity of the company. An analysis of turnover is given below.

	Year to 30 Jun 09 £	Period from 30 Jan 07 to 30 Jun 08 £
Overseas	<u>740,954</u>	<u>-</u>

3. OPERATING LOSS

Operating loss is stated after charging/(crediting)

	Year to 30 Jun 09 £	Period from 30 Jan 07 to 30 Jun 08 £
Directors' remuneration	-	-
Operating lease costs		
- Other	1,635	-
Net profit on foreign currency translation	(3,658)	-
Auditor's remuneration - audit of the financial statements	2,614	4,000
Auditor's remuneration - other fees	<u>500</u>	<u>-</u>

CLARITY OSS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 JUNE 2009**

	2009 £	2008 £
Auditor's remuneration - audit of the financial statements	<u>2,614</u>	<u>4,000</u>
Auditor's remuneration - other fees		
- Taxation services	<u>500</u>	<u>-</u>

4. PARTICULARS OF EMPLOYEES

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

	Year to 30 Jun 09 No	Period from 30 Jan 07 to 30 Jun 08 No
Number of administrative staff	<u>7</u>	<u>4</u>

The aggregate payroll costs of the above were

	Year to 30 Jun 09 £	Period from 30 Jan 07 to 30 Jun 08 £
Wages and salaries	642,148	375,098
Social security costs	<u>76,977</u>	<u>44,658</u>
	<u>719,125</u>	<u>419,756</u>

5. TAXATION ON ORDINARY ACTIVITIES

Losses carried forward available to be offset against future profits of the same trade amount to approximately £441,000 (2008 - £423,756)

The company has a deferred tax asset of £92,621 (2008 - £84,751) in respect of trading losses carried forward as at 30 June 2009 that has not been provided in these accounts as the transfer of economic benefits in the future, as required by FRS19, is uncertain

6. DEBTORS

	2009 £	2008 £
Prepayments and accrued income	<u>325</u>	<u>-</u>

CLARITY OSS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 JUNE 2009****7. CREDITORS: Amounts falling due within one year**

	2009	2008
	£	£
Trade creditors	210	—
Amounts owed to group undertakings	438,626	419,754
Accruals and deferred income	3,114	4,000
	<u>441,950</u>	<u>423,754</u>

8. RELATED PARTY TRANSACTIONS

As the company is a wholly owned subsidiary within a group that prepares consolidated financial statements, the company has taken advantage of the exemption contained in Financial Reporting Standard 8, "Related Party Disclosures" from disclosing transactions with group entities

9. SHARE CAPITAL

Allotted, called up and fully paid:

	2009		2008	
	No	£	No	£
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009	2008
	£	£
Loss for the financial year	(17,871)	(423,756)
New ordinary share capital subscribed	—	2
Net reduction to shareholders' deficit	(17,871)	(423,754)
Opening shareholders' deficit	(423,754)	—
Closing shareholders' deficit	<u>(441,625)</u>	<u>(423,754)</u>

11. ULTIMATE PARENT COMPANY

The company was under the control of Clarity Global Solutions PTY Limited throughout the current and previous year

The ultimate parent company is Powerlan Limited, a company registered in Australia

CLARITY OSS LIMITED

HW, Chartered Accountants
174 Whiteladies Road
Clifton
Bristol
BS8 2XU

Dear Sirs

We confirm to the best of our knowledge and belief, and having made appropriate enquiries of other directors and officials of the company, the following representations given to you in connection with your audit of the company's financial statements for the year ended 30 June 2009

GENERAL

- 1 We acknowledge as directors our responsibility under the Companies Act 2006 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you. All the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken by the company have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management and shareholders meetings, have been made available to you.
- 2 The financial statements are free of material misstatements, including omissions.
- 3 We believe that the effect of uncorrected misstatements is immaterial both individually and in total.

INTERNAL CONTROL

- 4 We acknowledge our responsibility for the design and implementation of internal control systems to prevent and detect fraud and error. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud. There have been no irregularities (or allegations of irregularities) involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.

ASSETS AND LIABILITIES

- 5 The company has satisfactory title to all assets and there are no liens or encumbrances on the company's assets, except for those that are disclosed in the notes to the financial statements.
- 6 We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent, and have disclosed in the notes to the financial statements all guarantees that we have given to third parties.
- 7 We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

LOANS AND ARRANGEMENTS

- 8 The company has not granted any advances or credits to, or made guarantees on behalf of, directors other than those disclosed in the financial statements.

LEGAL CLAIMS

- 9 All claims in connection with litigation that have been, or are expected to be, received have been properly accrued for in the financial statements.

LAWS AND REGULATIONS

- 10 We are not aware of any irregularities, including fraud, involving management or employees of the company, nor are we aware of any breaches or possible breaches of statute, regulations, contracts, agreements or the company's Memorandum and Articles of Association which might prejudice the company's going concern status or that might result in the company suffering significant penalties or other loss. No allegations of such irregularities, including fraud, or such breaches have come to our notice.

TRANSACTIONS WITH RELATED PARTIES

- 11 All transactions with related parties have been disclosed in the financial statements. We have made available to you all relevant information concerning such transactions and are not aware of any other matters which require disclosure in order to comply with the requirements of company law or accounting standards.

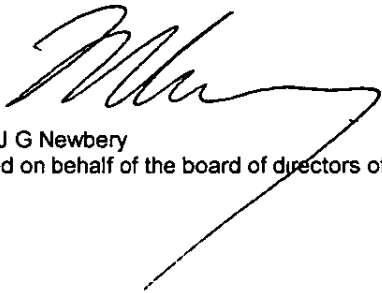
POST-BALANCE SHEET EVENTS

- 12 There have been no events since the balance sheet date which necessitate revision of the figures included in the financial statements or inclusion of a note thereto. Should further material events occur, which may necessitate revision of the figures included in the financial statements or inclusion of a note thereto, we will advise you accordingly.

GOING CONCERN

- 13 We believe that the company's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the company's needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures, other than that already made, relating to the company's ability to continue as a going concern need to be made in the financial statements.

Yours faithfully



Mr A J G Newbery
Signed on behalf of the board of directors of Clanty OSS Limited

Date