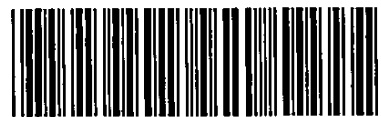


REGISTERED NUMBER: 06475372 (England and Wales)

SELFNET SYSTEMS LIMITED

ABBREVIATED UNAUDITED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2011

THURSDAY



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COMPANIES HOUSE

**SELFNET SYSTEMS LIMITED (REGISTERED NUMBER. 06475372)**

**ABBREVIATED BALANCE SHEET  
31 DECEMBER 2011**

	Notes	2011		2010	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	2		8,378		2,867
<b>CURRENT ASSETS</b>					
Debtors		50,847		73,810	
Cash at bank		237,828		567,901	
		<u>288,675</u>		<u>641,711</u>	
<b>CREDITORS</b>					
Amounts falling due within one year		<u>5,523,948</u>		<u>5,064,772</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(5,235,273)</u>		<u>(4,423,061)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u><u>(5,226,895)</u></u>		<u><u>(4,420,194)</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	3		1		1
Profit and loss account			<u>(5,226,896)</u>		<u>(4,420,195)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u><u>(5,226,895)</u></u>		<u><u>(4,420,194)</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2011

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2011 in accordance with Section 476 of the Companies Act 2006

The directors acknowledge their responsibilities for

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved by the Board of Directors on  
signed on its behalf by

*26/9/12*

and were

  
K R Young - Director

The notes form part of these abbreviated accounts

NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2011

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1 ACCOUNTING POLICIES

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard For Smaller Entities (effective April 2008)

**Basis of preparing the financial statements**

The financial statements have been prepared on a going concern basis, which assumes that the company will continue in operational existence for the foreseeable future

At the balance sheet date the company has net current liabilities of £5,235,273, (2010 - £4,423,061) The Board has considered the position of the company with respect to its obligations to ensure the business can continue in operational existence for the foreseeable future and confirms its approval to adopt the going concern basis for preparing these accounts. There are material uncertainties that may cast significant doubt about the company's ability to continue as a going concern. Nevertheless, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis of accounting in preparing the annual financial statements. The financial statements do not include any adjustments that would result if the company was unable to continue as a going concern.

**Exemption from preparing a cash flow statement**

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

**Turnover**

Turnover represents sales to external customers at invoiced amounts less value added tax. Turnover is recognised as the contractual obligations are fulfilled.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Fixtures and fittings	- 25% on cost
Computer equipment	- 25% on cost

**Deferred tax**

Deferred tax balances are recognised in respect of all material timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

**Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

**Operating leases**

Annual rentals applicable to operating leases are charged to the profit and loss account on a straight-line basis over the term of the lease.

**SELFNET SYSTEMS LIMITED (REGISTERED NUMBER: 06475372)**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**2 TANGIBLE FIXED ASSETS**

	<b>Total £</b>
<b>COST</b>	
At 1 January 2011	<b>7,877</b>
Additions	<b>8,976</b>
At 31 December 2011	<b>16,853</b>
<b>DEPRECIATION</b>	
At 1 January 2011	<b>5,010</b>
Charge for year	<b>3,465</b>
At 31 December 2011	<b>8,475</b>
<b>NET BOOK VALUE</b>	
At 31 December 2011	<b>8,378</b>
At 31 December 2010	<b>2,867</b>

**3 CALLED UP SHARE CAPITAL**

Allotted and issued Number	Class	Nominal value	<b>2011 £</b>	2010 £
1	Ordinary	1	<u><u>1</u></u>	<u><u>1</u></u>

**4 ULTIMATE PARENT COMPANY**

The ultimate parent company is Selfnet Holdings Limited, which owns 100% of the issued ordinary share capital

NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2011

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5 RELATED PARTY DISCLOSURES

The company is a wholly owned subsidiary of Selfnet Holdings Limited and has taken advantage of the exemption conferred by Financial Reporting Standard 8 'Related party disclosures' not to disclose transactions with Selfnet Holdings Limited or other wholly owned subsidiaries within the group

**Transactions involving the directors of the company**

During the year the company incurred software development costs amounting to £304,074 (2010 £617,106) from Bluewrasse Limited. An amount of £10,000 (2010 £28,040) was owed to Bluewrasse Limited and is included within other creditors at the year end. R F Atkin was a director of both Selfnet Holdings Limited and Bluewrasse Limited during the year.

During the year the company loaned A F Atkin £24,000 (2010 nil) and M Smart £22,000 (2010 nil). At the year end an amount of £24,000 (2010 nil) was owed by A F Atkin and £22,000 (2010 nil) was owed by M Smart. Both amounts are included within other debtors.

During the year the company paid directors' fees of £1,500 (2010 £750) to Notion Capital Partners LLP for the service of S Chandler. S Chandler is a director of Selfnet Holdings Limited and a member of Notion Capital Partners LLP. At the year end S Chandler was owed £351 (2010 £100,507) relating to unpaid interest on £100,000 unsecured loan to Selfnet Systems Limited, which was repaid during the year. The loan incurred interest at 5% per annum.

During the year the company incurred professional and consultancy fees amounting to £29,275 (2010 £10,800) payable to Wilkins Kennedy LLP. An amount of £8,610 (2010 nil) was owed to Wilkins Kennedy LLP and is included within trade creditors at the year end. K Young is a director of Selfnet Holdings Limited and a member of Wilkins Kennedy LLP.

**Group Guarantees**

Selfnet Limited has a loan facility with RBS for £550,000. £300,000 of this facility has been drawn down and is secured by way of an all monies debenture granted by the company and an unlimited inter-company guarantee supported by a debenture granted by Selfnet Holdings Limited, Selfnet Systems Limited and Selfnet Limited.

6 ULTIMATE CONTROLLING PARTY

The company has no ultimate controlling party.