

001372/20

Company Registration No FC030699 (England and Wales)

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012
SKYFIRE LABS, INC.



SKYFIRE LABS, INC.

COMPANY INFORMATION

Company number	FC030699
Registered office	779 East Evelyn Avenue Suite 200 Mountain View California 94041 USA
Accountants	Fitzgerald and Law LLP 8 Lincoln's Inn Fields London United Kingdom WC2A 3BP

SKYFIRE LABS, INC.

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2012

		2012	2011
	Notes	\$	\$
Turnover		4,168,064	5,232,718
Cost of sales		(1,798,449)	(2,273,245)
Gross profit		<u>2,369,615</u>	<u>2,959,473</u>
Administrative expenses		(10,436,278)	(8,032,062)
Other operating income		10,000	600
Operating loss	2	<u>(8,056,663)</u>	<u>(5,071,989)</u>
Other interest receivable and similar income		14,141	4,197
Interest payable and similar charges		<u>(105,886)</u>	<u>(85,982)</u>
Loss on ordinary activities before taxation		<u>(8,148,408)</u>	<u>(5,153,774)</u>
Tax on loss on ordinary activities	3	<u>(10,457)</u>	<u>(2,629)</u>
Loss for the year	9	<u><u>(8,158,865)</u></u>	<u><u>(5,156,403)</u></u>

SKYFIRE LABS, INC.

BALANCE SHEET

AS AT 31 DECEMBER 2012

	Notes	2012 \$	\$	2011 \$	\$
Fixed assets					
Tangible assets	4	454,268		157,926	
Current assets					
Debtors	5	664,306		627,061	
Cash at bank and in hand		9,702,867		6,893,081	
		<u>10,367,173</u>		<u>7,520,142</u>	
Creditors amounts falling due within one year	6	<u>(7,331,221)</u>		<u>(6,546,509)</u>	
Net current assets		<u>3,035,952</u>		<u>973,633</u>	
Total assets less current liabilities		<u>3,490,220</u>		<u>1,131,559</u>	
Creditors: amounts falling due after more than one year	7	<u>(941,953)</u>		<u>(380,861)</u>	
		<u>2,548,267</u>		<u>750,698</u>	
Capital and reserves					
Called up share capital	8	41,001,806		31,045,372	
Profit and loss account	9	<u>(38,453,539)</u>		<u>(30,294,674)</u>	
Shareholders' funds		<u>2,548,267</u>		<u>750,698</u>	

These financial statements have been prepared in accordance with the provisions applying to overseas companies under SI 2009/1801 of The Overseas Companies Regulations 2009 (Companies Act 2006) and have been prepared under US Generally Accepted Accounting Principles. The company is not required to prepare and disclose accounts under parent law and is not required to produce audited financial statements.

The directors consider the United States Dollar (US\$) to be the functional and local currency of the group. Accordingly, these financial statements are presented in US\$.

Approved by the Board and authorised for issue on

13 July 2013



J Glueck
Director

Company Registration No. FC030699

SKYFIRE LABS, INC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

1 Accounting policies

1.1 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United States Accounting Standards (United States Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

1.3 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures and fittings	50% on a straight line basis
Equipment	50% on a straight line basis

2 Operating loss

	2012	2011
	\$	\$
Operating loss is stated after charging		
Depreciation of tangible assets	276,766	399,126
and after crediting		
Profit on disposal of intangible assets	-	12,608

3 Taxation

	2012	2011
	\$	\$
Domestic current year tax		
Tax	10,457	2,629
Total current tax	10,457	2,629

SKYFIRE LABS, INC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

4 Tangible fixed assets

	Fixtures and fittings	Equipment	Total
	\$	\$	\$
Cost			
At 1 January 2012	-	1,527,482	1,527,482
Additions	48,870	524,238	573,108
	<u>48,870</u>	<u>2,051,720</u>	<u>2,100,590</u>
At 31 December 2012	48,870	2,051,720	2,100,590
Depreciation			
At 1 January 2012	-	1,369,556	1,369,556
Charge for the year	9,385	267,381	276,766
	<u>9,385</u>	<u>1,636,937</u>	<u>1,646,322</u>
At 31 December 2012	9,385	1,636,937	1,646,322
Net book value			
At 31 December 2012	<u>39,485</u>	<u>414,783</u>	<u>454,268</u>
At 31 December 2011	<u>-</u>	<u>157,926</u>	<u>157,926</u>

5 Debtors

	2012	2011
	\$	\$
Accounts receivable	552,050	501,302
Other debtors	17,137	12,950
Prepayments and accrued income	95,119	112,809
	<u>664,306</u>	<u>627,061</u>

6 Creditors amounts falling due within one year

	2012	2011
	\$	\$
Accounts payable	284,934	289,630
Payroll liabilities	13,693	-
Accruals and deferred income	6,189,156	5,120,320
Other creditors	843,438	1,136,559
	<u>7,331,221</u>	<u>6,546,509</u>

SKYFIRE LABS, INC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

7	Creditors: amounts falling due after more than one year	2012	2011
		\$	\$
	Long term liabilities	941,953	380,861
		<u> </u>	<u> </u>
8	Share capital	2012	2011
		\$	\$
	Allotted, called up and fully paid		
	13,937,243 (2011 13,346,307) Ordinary shares of 0 0055¢ each	76,594	47,897
	77,626,929 (2011 62,123,052) Preference shares of 0 5272¢ each	40,925,212	30,997,475
		<u> </u>	<u> </u>
		41,001,806	31,045,372
		<u> </u>	<u> </u>
9	Statement of movements on profit and loss account		Profit and loss account \$
	Balance at 1 January 2012		(30,294,674)
	Loss for the year		<u>(8,158,865)</u>
	Balance at 31 December 2012		<u>(38,453,539)</u>